

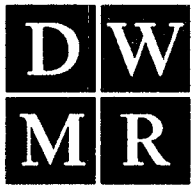


Control Number: 52195



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Addendum StartPage: 0



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Ana Treviño
Filing Clerk
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, TX 78711-3326

June 22, 2021

2021 JUN 22 PM 12:05

FILED
PUBLIC UTILITY COMMISSION OF TEXAS
FILING CLERK

RE: Docket No. 52195 – *Application of El Paso Electric Company to Change Rates*

Errata No. 1 — Correction to Rate Filing Package Bates Stamps

Dear Ms. Treviño:

El Paso Electric Company submits the attached errata to the rate filing package submitted on June 1, 2021. For the rate filing package that was filed electronically on the Commission's interchange, the pages that should have been bates-stamped with pages 4582 – 5108 were incorrectly bates stamped with pages 372 – 898. A copy of the pages with the correct bates-stamped pages is attached to this filing.

Sincerely,

Laura Bradshaw Kennedy
Attorney for El Paso Electric Company

cc: All parties of record

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

Row Labels	Sum of Amount	
AP700 - LABOR CLEARING PROJECT	-	
AP701 - LABOR - CWIP CLEARING PROJECT	9,835,039.15	
AP751 - PAYRL DEDUCT CLEAR	(746.75)	
AP753 - PAYRL CORP BONUS BLANKET	-	
AP759 - PAYRL-OTH PAYRL BLANKET	-	
AP780 - OTHER EMPLOY BENEFITS	-	
AP7800990001 - ACCTG-PAY-OTHER BEN-TUITION AID	124,728.58	
AP7800990002 - ACCTG-PAY-OTHER BEN-CHRISTMAS	97,325.34	A
AP7800990003 - ACCTG	19,844.8	A
AP7800990004 - ACCTG	77,779.3	B
AP7800990007 - ACCTG	103,900.6	B
AP7800990010 - ACCTG-PAY-OTHER BEN-EMPLOYEE MEETING	37,975.91	A
AP7800990020 - ACCTG-PAY-OTHER BEN-VAC/PTO	1,965,188.98	
AP7800990024 - ACCTG-PAY-OTHER BEN-PTO/STILL RETIRED	155,146.11	Σ A = 155,146.11
AP7800990025 - ACCTG-PAY-OTHER BEN-OLD SICK BANK	(7,419.75)	
AP7800990030 - ACCTG-PAY-OTHER BEN-DIV PARKING	83,063.38	
AP7800990100 - ACCTG-PAY-OTHER BEN-PROF FEES	41,170.43	
AP7800990012 - ACCTG-PAY-OTHER BEN-ELEC VEHICLE	14,998.21	
AP780 - OTHER EMPLOY BENEFITS Total	3,666,882.95	
BB700 - BILLING EXPENSE BLANKET	442,733.19	
CN007 - CUST SERV-NM-FACILITY SER	5,553.86	
CN700 - CUST SERV-NM EXP BLANKET	491,026.67	
CT007 - CUST SERV-TX-FACILITY SER	1,106.52	
CT700 - CUST SERV-TX EXP BLANKET	2,140,258.22	
DN007 - DISTRIB-NM-FACIL SERV BKT	3,164.79	
DN012 - DISTRIB-NM-ENVIRON BLNKET	512.70	
DN061 - NM RESIDENTIAL CONSTRUCTION	7,211.50	
DN062 - NM DISTRIBUTION BETTERMENT	2,962.76	
DN063 - NM SUBSTATION BETTERMENT	5.46	
DN064 - NM LIGHTING	462.02	
DN065 - NM DISTRIBUTION DAMAGE	41.68	
DN069 - NM COMMERCIAL CONSTRUCTION	6,759.16	
DN700 - DISTRIB-NM-BUS SEG EXP	367,422.55	
DT007 - DISTRIB-TX-FACILITY SERV	13,076.97	
DT012 - DISTRIB-TX-ENVIRON BLANKET	205.00	
DT061 - TX RESIDENTIAL CONSTRUCTION	4,101.59	
DT062 - TX DISTRIBUTION BETTERMENT	3,243.15	
DT063 - TX SUBSTATION BETTERMENT	23,118.63	
DT064 - TX LIGHTING	114,680.57	
DT069 - TX COMMERCIAL CONSTRUCTION	17,922.95	
DT186 - LEO SUB 115 K CONV & GETAWAY UPGRADE	1,041.40	
DT270 - GLOBAL REACH SUB FEEDERS	-	
DT282 - LEO GETAWAYS	-	
DT314 - TWO WAY DIST CAPACITOR COMMUNICATIN	-	
DT355 - NEW FELIPE 21 FEEDER	-	
DT700 - DISTRIB-TX-BUS SEG EXP	2,474,562.58	
DT701 - DISTRIB-TX-TRAIN BLANKET	14,202.89	
DT710 - DISTRIB-TX-SAFETY BLANKET	5,445.21	
DT750 - DISTRIB-TX-JOBING BLNKT	1,598.60	
FR770 - FERC COST OF SERVICE GENERAL	9,230.35	
GC003 - GEN-COPPER BLANKET	955.19	
GC012 - GEN-COPPER-ENVIRON BLNKT	37.63	
GC720 - GEN-CO-ROUTINE-TURB/GEN/EXCITER	20,810.78	
GC723 - GEN-CO-ROUTINE-ELEC AUXILIARIES	599.21	
GC726 - GEN-CO-ROUTINE-WATER PROCESSING	1,645.00	
GC727 - GEN-CO-ROUTINE-CONTROLS	1,249.85	
GC728 - GEN-CO-ROUTINE-STRUCTURES	4,088.76	

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

Row Labels	Sum of Amount
GC729 - GEN-CO-ROUTINE-PLANT COMMON	(5,760.73)
GC750 - GEN-CO-UNPLAN OUT-TURB/GEN/EXCITER	385.65
GG700 - GEN-BUS SEG EXP BLANKET	534,856.73
GG720 - RESOURCE PLANNING	222,557.47
GG750 - GEN-TX FUEL	13,921.55
GM001 - GEN - MONTANA O&M BLANKET	176,336.56
GM012 - GEN-MPS-ENVIRON BLANKET	18.95
GM700 - GEN-MKTG-BUS SEG EXP	901,955.01
GN003 - GEN-NEWMAN BLANKET	1,119,524.38
GN012 - GEN-NEWM-ENVIRON BLNKT	1,317.64
GN701 - GEN-NEWM-TRAINING BLNKT	121,429.03
GN710 - GEN-NEWM-SAFETY BLNKT	4,416.64
GN720 - GEN-NM-ROUTINE-TURB/GEN/EXCITER	326,911.02
GN721 - GEN-NM-ROUTINE-BOILER (HRSG)	124,565.74
GN722 - GEN-NM-ROUTINE-BOILER SUPPORT AUX	60,067.49
GN723 - GEN-NM-ROUTINE-ELEC AUXILIARIES	30,145.26
GN724 - GEN-NM-ROUTINE-CONDENSATE SYSTEM	14,182.46
GN725 - GEN-NM-ROUTINE-WATER/COOL TOWER	107,140.61
GN726 - GEN-NM-ROUTINE-WATER PROCESSING	90,700.44
GN727 - GEN-NM-ROUTINE-CONTROLS	91,228.02
GN728 - GEN-NM-ROUTINE-STRUCTURES	79,989.35
GN729 - GEN-NM-ROUTINE-PLANT COMMON	(74,810.88)
GN740 - GEN-NM-NON ROUT-TURB/GEN/EXCITER	55,289.88
GN748 - GEN-NM-NON ROUT-STRUCTURES	106.79
GN750 - GEN-NM-UNPLAN OUT-TURB/GEN/EXCITER	6,691.89
GN751 - GEN-NM-UNPLAN OUT-BOILER (HRSG)	3,528.50
GN752 - GEN-NM-UNPLAN OUT-BOILER SUPPORT AUX	1,894.50
GN753 - GEN-NM-UNPLAN OUT-ELEC AUXILIARIES	163.19
GN754 - GEN-NM-UNPLAN OUT-WATER/COOL TOWER	84.64
GN755 - GEN-NM-UNPLAN OUT-WATER/COOL TOWER	292.69
GN757 - GEN-NM-UNPLAN OUT-CONTROLS	669.13
GN758 - GEN-NM-UNPLAN OUT-STRUCTURES	164.04
GN760 - GEN-NM-MAJOR-TURB/GEN/EXCITER	15,491.99
GN780 - GEN-NM-MINOR-TURB/GEN/EXCITER	8,235.74
GP700 - GEN-PV-BUS SEG EXP BLNKT	62,360.16
GR007 - GEN-RG-FACILITY SERV BLKT	10,703.72
GR012 - GEN-RG-ENVIRON BLANKET	227.35
GR014 - GEN-RG BLANKET	995,732.95
GR701 - GEN-RG-TRAINING BLANKET	57,494.43
GR710 - GEN-RG-SAFETY BLANKET	3,024.26
GR720 - GEN-RG-ROUTINE-TURB/GEN/EXCITER	142,218.53
GR721 - GEN-RG-ROUTINE-BOILER (HRSG)	100,225.03
GR722 - GEN-RG-ROUTINE-BOILER SUPPORT AUX	43,681.35
GR723 - GEN-RG-ROUTINE-ELEC AUXILIARIES	15,913.19
GR724 - GEN-RG-ROUTINE-CONDENSATE SYSTEM	21,617.38
GR725 - GEN-RG-ROUTINE-WATER/COOL TOWER	67,379.39
GR726 - GEN-RG-ROUTINE-WATER PROCESSING	43,518.27
GR727 - GEN-RG-ROUTINE-CONTROLS	37,607.75
GR728 - GEN-RG-ROUTINE-STRUCTURES	15,888.44
GR729 - GEN-RG-ROUTINE-PLANT COMMON	11,289.26
GR750 - GEN-RG-UNPLAN OUT-TURB/GEN/EXCITER	636.22
GR751 - GEN-RG-UNPLAN OUT-BOILER (HRSG)	4,865.98
HA700 - INTERNAL AUDIT BLANKET	141,861.99
HE700 - EXTERNAL AFFAIRS MANAGEMENT	332,990.90
HL700 - CORP-LEGAL-BUS SEG EXP	757,538.49
HM700 - CORP-MGMT-BUS SEG BLNKT	616,177.68
HP700 - CORPORATE PLANNING BLANKET	633,455.27

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

Row Labels	Sum of Amount
HS700 - CORP-SERVICES-BUS SEG EXP	1,075.26
HS750 - CORP SERV-CORP COSTS	
HS7500901012 - CORPORATE SER-DONATIONS IN KIND	14,722.23
HS7500901013 - UNITED WAY - PTO	11,687.22
HS7500901110 - CORPORATE SER-CIVIC/POLIT/LEGIS-TX	10,111.73
HS7500901610 - CORPORATE SER-EMPLOYEE SETTLEMENT	(140,455.40)
HS7500901860 - CBA NEGOTIATIONS	67.42
HS7502901111 - CORP SER-CIVIC/POLITICAL/LEGIS-NM	4,040.63
HS7500901203 - AMS/AMI DEPLOYMENT PLAN PROJECT	430.97
HS7500901255 - BULK-POWER SYSTEM - EXEC ORDER	11,039.09
HS750 - CORP SERV-CORP COSTS Total	(88,356.11)
HS780 - CORPORATE OUTAGE BLANKET	(0.00)
MN004 - METERING-NM BLANKET	460,770.84
MT004 - METERING-TX-BLANKET	317,548.96
SA700 - SS-FINANCE & ACCTG EXP	1,296,991.73
SA701 - SS-FINANCE & ACCTG-TRAIN	2,637.35
SA750 - SS-FN&AC-XTRNL ACTG/RPTG	167,395.86
SB700 - SS - FINANCE BLANKET	493,024.61
SC700 - SS-COMMUNICA EXP BLNKT	224,384.78
SE012 - SS-ENVIRONMENTAL BLNKT	708.07
SE700 - SS-ENVIRON EXP BLNKT	313,901.59
SF007 - SS-FACILITY SERVICES BLKT	36,698.87
SF700 - SS-FACILITY SERV EXP BLKT	139,215.35
SF701 - SS-FACILITY SERV-TRAIN	65.86
SF800 - EDOC - FAC SVC- O&M ONLY	22,319.55
SH700 - SS-HR EXPENSE BLANKET	828,786.02
SI700 - SS-MATERIALS MGMT EXP BKT	245,760.36
SK700 - CLAIMS/RISK MGMT BLANKET	338,869.04
SM700 - SS-MANAGEMENT EXP BLNKT	139,576.26
SN700 - SS - NERC COMPLIANCE	282,621.80
SR700 - SS-REGULATORY EXP BLNKT	559,154.10
SS007 - SS-EDOC FACILITY SERV BLANKET	357.10
SS150 - NEW WEST SIDE FACILITY	21.74
SS800 - NERC CIP VERSION 5	172.40
SS801 - Mexico Opportunities	56.14
ST043 - EMS SUPPORT BLANKET	76,862.41
ST700 - SS-IT EXPENSE BLANKET	852,825.40
SU700 - SS-SUPPORT SERVICES EXP	64,616.38
SV799 - SS-TRANSPORTATION CLEARING	637,241.41
SY700 - SS-SAFETY EXPENSE BLNKT	309,514.31
TA015 - TRANSMISSION-AIP BLANKET	1,444.25
TH015 - TRANSMISSION-345KV BLNKT	51,338.40
TH110 - ALPS RELY REPLCMNT-TSS VOTING SCHEM	-
TH750 - TRANS-EIP PROJECT	52,837.84
TH760 - TRANS-SWNMT PROJECT	41,221.37
TL015 - TRANS-BELOW 345KV BKT	160,600.36
TP015 - TRANSMISSION-PV TRANS	-
TS015 - TRANSMISSION-SYS OPS BLKT	2,426,397.02
TS063 - TRANS SUBSTATION IMPROVEMENTS	(36.60)
TS760 - FACILITY & IMPACT STUDY	11,627.92
TT007 - TRANS-FACILITY SERVICES	9,701.19
TT060 - NERC COMPLIANCE ACTIVITY - TRANS	166,035.10
TT700 - TRANSMISSION-BUS SEG EXP	94,732.00
TT701 - TRANSMISSION-TRAINING BKT	32,315.52
TT710 - TRANSMISSION-SAFETY BLNKT	5,967.95
WM700 - NM MGMT EXPENSE BLANKET	30,158.78
WR760 - NM COST OF SERVICE GENERAL	31,059.64

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR CYNTHIA S. PRIETO
 PREPARER MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

Row Labels	Sum of Amount
WS784 - NM TRANSPORTATION CLEARING	48,419.44
XM700 - TX MGMT EXPENSE BLANKET	137,544.20
XR750 - TX COST OF SERVICE GENERAL	48,423.92
XS700 - TX SS EXPENSE BLANKET	272,130.03
XS799 - TX SS-STORES CLEARING	463,634.02
AP811 - MEDICAL PANDEMIC READINESS	
AP8110990001 - MEDICAL COVID EXPENSES	544,456.00
AP811 - MEDICAL PANDEMIC READINESS Total	544,456.00
DN161 - LAS CRUCES UG CABLE REPL BLKT	(0.00)
DN178 - TALAVERA SUB. GETAWAYS AND FEEDERS	
DN198 - Jornada Feeders	
DN720 - DISTRIB-NM-OTHER BLANKET	313,322.93
DN811 - DISTR NM PANDEMIC READINESS	11,280.06
DR182 - TX DISTRIBUTION CRF FILING	10,897.31
DT065 - TX DISTRIBUTION DAMAGE	3,448.83
DT132 - DYER-SHEARMAN RELAY REPLACE (CD)	1,393.77
DT182 - SE1 SUBSTATION-PENDALE SUB	54.44
DT189 - TEXAS AREA 4KV CONVERSIONS	
DT194 - SUNSET 69KV-4KV XFMR-REG-FEEDR REPL	159.60
DT230 - MESA-18 RECONDUCTOR	
DT288 - TRANSMOUNTAIN (NW-3) GTWYS/FEEDER	
DT307 - DYER-13 AND DYER-14 GETAWAY UPGRADE	
DT309 - HORIZON 12 EXTENSION	0.40
DT369 - PELLICANO T2 FEEDERS	
DT426 - GRID AUTOMATION AND VISIBILITY	49,635.40
DT720 - DISTRIB-TX-OTHER BLANKET	819,220.09
DT723 - SAFETY ENHANCEMENT PROJECT	971.92
DT811 - DISTR TX PANDEMIC READINESS	55,842.00
GC007 - GEN-COPPER-FACILITY SERV BLKT	560.09
GC700 - GEN-COPPER O&M BLANKET	176.98
GC740 - GEN-CO-NON ROUT-TURB/GEN/EXCITER	24,804.66
GC747 - GEN-CO-NON ROUT-CONTROLS	382.95
GC748 - GEN-CO-NON ROUT-STRUCTURES	434.35
GC749 - GEN-CO-NON ROUT-PLANT COMMON	8,599.42
GC760 - GEN-CO-MAJOR-TURB/GEN/EXCITER	4,424.37
GC767 - GEN-CO-MAJOR-CONTROLS	247.65
GE180 - MONTANA COMMON	394.09
GE800 - MPS -FAC SVC - O&M ONLY	2,831.20
GG701 - GEN-BUS SEG TRAIN BLANKET	1,134.66
GG799 - GEN-STORES CLEARING	305,003.55
GG800 - GEN-EXPANSION UNIT PRELIM. STUDIES	26,563.53
GM002 - MONTANA CAPITAL BLANKET	240.00
GM720 - GEN-MPS-ROUTINE-TURB/GEN/EXCITER	198,948.94
GM723 - GEN-MPS-ROUTINE-ELEC AUXILIARIES	58,541.74
GM725 - GEN-MPS-ROUTINE-WATER/COOL TOWER	9,168.88
GM726 - GEN-MPS-ROUTINE-WATER PROCESSING	22,669.12
GM727 - GEN-MPS-ROUTINE-CONTROLS	9,876.75
GM728 - GEN-MPS-ROUTINE-STRUCTURES	18,031.86
GM729 - GEN-MPS-ROUTINE-PLANT COMMON	241,771.53
GM753 - GEN-MPS-UNPLAN OUT-ELEC AUXILIARIES	2,035.99
GM759 - GEN-MPS-UNPLANNED-PLANT COMMON	495.87
GM811 - MONTANA PANDEMIC READINESS	5,560.81
GN007 - GEN-NEWM-FACILITY SERV BLKT	9,130.49
GN184 - NW U4 GT2 INSTRUMENTATION UPGRADES	1,392.36
GN185 - NW U4 GT1 INSTRUMENTATION UPGRADES	2,655.44
GN700 - GEN-NEWMAN O&M BLANKET	274,394.88
GN741 - GEN-NM-NON ROUT-BOILER (HRSG)	17,152.50

EL PASO ELECTRIC COMPANY
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 SPONSOR, CYNTHIA S PRIETO
 PREPARER: MYRNA A ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

Row Labels	Sum of Amount
GN742 - GEN-NM-NON ROUT-BOILER SUPPORT AUX	8,715.53
GN743 - GEN-NM-NON ROUT-ELEC AUXILIARIES	973.82
GN744 - GEN-NM-NON ROUT-CONDENSATE SYSTEM	3,686.80
GN745 - GEN-NM-NON ROUT-WATER/COOL TOWER	4,016.20
GN746 - GEN-NM-NON ROUT-WATER PROCESSING	410.61
GN747 - GEN-NM-NON ROUT-CONTROLS	9,800.41
GN749 - GEN-NM-NON ROUT-PLANT COMMON	58,110.82
GN811 - NEWMAN PANDEMIC READINESS	31,405.47
GP750 - GEN-PALO VERDE O & M	(3,601,714.47)
GR163 - RIO GRANDE RACETRACK DRIVE ENTRANCE	1,620.74
GR169 - RG U8 DRUM LEVEL UPGRADE	(25.14)
GR176 - RG U8 FEED WATER REGULATORS UPGRADE	1,528.75
GR177 - RG DCS CIP CYBER IMPRVMTS	43.66
GR180 - UNIT 7 GENERATOR REWIND/HRDW REPLCM	87.15
GR700 - GEN-RG O&M BLANKET	237,727.91
GR753 - GEN-RG-UNPLAN OUT-ELEC AUXILIARIES	2,233.54
GR757 - GEN-RG-UNPLAN OUT-CONTROLS	428.90
GR760 - GEN-RG-MAJOR-TURB/GEN/EXCITER	-
GR811 - RIO GRANDE PANDEMIC READINESS	18,688.46
GS123 - NMSU SOLAR PLUS STORAGE PROJECT	(274.20)
GS700 - SOLAR PRELIMINARY STUDIES	2,376.55
GS703 - NM SOLAR PRELIMINARY STUDIES	16,371.18
MN811 - METERING NM PANDEMIC READINESS	3,635.71
MT811 - METERING TX PANDEMIC READINESS	6,758.71
SC050 - OPERATIONAL TECH NETWORK CAP BLKT	247.40
SC144 - High Speed Irradiance Stations	183.76
SC146 - VERIFICATION & INTEG LAB BLNKT	9,668.86
SC152 - BORDER STEEL COMMO UPGRADES	207.88
SC800 - ADVANCED METERING	77,011.48
SD700 - LAND MANAGEMENT BLANKET	146,037.47
SS105 - LIVE LINK SYSTEM BLANKET	-
SS190 - Security Operations Center	249.52
SS224 - GENERATION OPERATIONS CMMS PROJECT	2,106.77
SS228 - UNMANNED AIRCRAFT SYSTEMS PROJECT	8,458.91
SS811 - SHARED SERV PANDEMIC READINESS	553,418.65
TL126 - NEWMAN 115 KV BKR REPL&UPGRADE U/S	-
TL182 - AIRPORT 115KV RING BUS	-
TL247 - TXDOT TRANSMISSION LINE MODFCATIONS	38.84
TL269 - LUN-DIA LUN-AFT GROUNDS FLOATING	1,424.86
TL298 - TXDOT STRC REPLC HWY 62 PHASE 2	160.05
TS065 - RELAY UPGRADES TRANS SUBS BLANKET	344.08
TS102 - EMS SYSTEM UPGRADE OR REPL	17,841.93
TS151 - AMRAD SUBST SVC CONTROLLER REPLC	-
TT740 - DRONE PROGRAM	3,611.66
TT811 - TRANSMISSION PANDEMIC READINESS	19,887.18
WR719 - 2019 NEW MEXICO RATE CASE	19,519.69
WR720 - 2020 NM RATE CASE	225,324.33
XM701 - TX MGMT-TRAINING BLANKET	1,258.54
Grand Total	40,594,598.27

EL PASO ELECTRIC COMPANY
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 SPONSOR CYNTHIA S. PRIETO
 PREPARER MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP-A/A-3/B1
 WP/A-3
 ADJUSTMENT NO. 4
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Account	Project	Work Order	Charging Cost Center	Charging Expense Type	GL Journal Category	Amount	
926000 - EMPLOYEE PENSIONS & BEN	HS750 - CORP SERV-CORP COSTS	HS7500901610 - CORPORATE SER-EMPLOYEE SETTLEMENT	9990 - 9990 ACCT - BENEFITS	250 - BENEFITS	6240-ACCRETION SP TERM	22,496.00	A
926000 - EMPLOYEE PENSIONS & BEN	HS750 - CORP SERV-CORP COSTS	HS7500901610 - CORPORATE SER-EMPLOYEE SETTLEMENT	8000 - 8000 OUTSIDE LEGAL COST	199 - SETTLEMENTS	6036-CASH - SMALL RECPT	(162,951.40)	A Z A = (140,455.40)
						(140,455.40)	

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REVISED - ERRATA NO. 1

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WP/A-3
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REVISED - ERRATA NO 1

GL Journal Category	Amount
5210-BEN CWIP PYRL RATIO	30,493,815 28
5212-BENEFITS	(30,493,815 28)
5210-BEN CWIP PYRL RATIO	9,835,039 15
6002-ARM-MISC	(432 71)
6036-CASH - SMALL RECPT	(314 04)
5208-OTHER PAYRL	428,479 58
6211-PY BONUS PAYMENT	(428,479 58)
5208-OTHER PAYRL	44,806 80
6211-PY BONUS PAYMENT	(44,806 80)
5208-OTHER PAYRL	51,408 02
6211-PY BONUS PAYMENT	(51,408 02)
5208-OTHER PAYRL	79,566 24
6211-PY BONUS PAYMENT	(79,566 24)
5208-OTHER PAYRL	53,732 68
6211-PY BONUS PAYMENT	(53,732 68)
5208-OTHER PAYRL	57,950 63
6211-PY BONUS PAYMENT	(57,950 63)
5208-OTHER PAYRL	64,198 61
6211-PY BONUS PAYMENT	(64,198 61)
5208-OTHER PAYRL	58,728 09
6211-PY BONUS PAYMENT	(58,728 09)
5208-OTHER PAYRL	26,825 21
6211-PY BONUS PAYMENT	(26,825 21)
5208-OTHER PAYRL	147,120 00
6211-PY BONUS PAYMENT	(147,120 00)
5208-OTHER PAYRL	131,012 93
6211-PY BONUS PAYMENT	(131,012 93)
5208-OTHER PAYRL	56,527 60
6211-PY BONUS PAYMENT	(56,527 60)
5208-OTHER PAYRL	45,892 19
6211-PY BONUS PAYMENT	(45,892 19)
5208-OTHER PAYRL	124,000 00
6211-PY BONUS PAYMENT	(124,000 00)
5208-OTHER PAYRL	137,037 96
6211-PY BONUS PAYMENT	(137,037 96)
5208-OTHER PAYRL	43,343 43
6211-PY BONUS PAYMENT	(43,343 43)
5208-OTHER PAYRL	48,593 96
6211-PY BONUS PAYMENT	(48,593 96)
5208-OTHER PAYRL	53,373 01
6211-PY BONUS PAYMENT	(53,373 01)
5208-OTHER PAYRL	37,196 74
6211-PY BONUS PAYMENT	(37,196 74)
5208-OTHER PAYRL	29,771 45
6211-PY BONUS PAYMENT	(29,771 45)
5208-OTHER PAYRL	148,000 00
6211-PY BONUS PAYMENT	(148,000 00)
5208-OTHER PAYRL	36,999 53
6211-PY BONUS PAYMENT	(36,999 53)
5208-OTHER PAYRL	40,790 57
6211-PY BONUS PAYMENT	(40,790 57)
5208-OTHER PAYRL	132,798 70
6211-PY BONUS PAYMENT	(132,798 70)
5208-OTHER PAYRL	34,479 50
6211-PY BONUS PAYMENT	(34,479 50)
5208-OTHER PAYRL	34,813 69
6211-PY BONUS PAYMENT	(34,813 69)

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Account	Project	Work Order	Chartfield Cost Center	Chartfield Expense Type	GL Journal Entry	Amount
926000 - EMPLOYEE PENSIONS & BEN	AP780 - OTHER EMPLOY BENEFITS	AP7800990020 - ACCTG-PAY-OTHER BEN-VAC/PTO	9990 - 9990 ACCT - BENEFITS	250 - BENEFITS	6205-PTO ACCRUAL	1,965,188.98
926000 - EMPLOYEE PENSIONS & BEN	AP780 - OTHER EMPLOY BENEFITS	AP7800990020 - ACCTG-PAY-OTHER BEN-VAC/PTO	9990 - 9990 ACCT - BENEFITS	250 - BENEFITS	6102-ALLOC ADJUSTMENT	-
						1,965,188.98

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EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
OPERATION AND MAINTENANCE EXPENSE
EMPLOYEE PENSIONS AND BENEFITS
SPONSOR CYNTHIA S. PRIETO
PREPARER MYRNA A. ORTIZ
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Estimated Pension/OPRB Cost for Fiscal Year 2021 provided by Willis Towers Watson

Willis Towers Watson

The information contained in this exhibit is incomplete without the supporting letter

El Paso Electric Company

Pension Plan Name

Disclosure for Fiscal Year Ending 31 Dec 20 under US GAAP

2020

2021

2022

Reconciliation of Net Balances

A Reconciliation of Prior Service Cost/(Credit) Bases

1 Net amount at prior fiscal year end	(13,643,615)	(13,475,378)	(8,237)	0
2 Amortization amount	3,506,144	3,467,076	39,066	0
3 Plan amendments	0	0	0	0
4 Effect of curtailments	0	0	0	0
5 Other events	0	0	0	0
6 Net amount at current fiscal year end	(10,137,471)	(10,008,302)	(28,171)	0

B Reconciliation of Net Loss/(Gain)

1 Net amount at prior fiscal year end	131,775,715	121,621,980	4,088,255	6,065,480
2 Amount recognized	(18,823,441)	(17,889,804)	(245,931)	(637,706)
3 Experience loss/(gain)	7,022,854	2,862,969	967,035	3,192,830
4 Effect of curtailments	0	0	0	0
5 Effect of settlements	0	0	0	0
6 Other events	0	0	0	0
7 Net amount at current fiscal year end	129,975,128	116,395,165	4,759,359	8,620,604

Summary of Components of Benefit (Cost) and Cash Flows

31 Dec-20

31 Dec-21

31 Dec-22

31 Dec-23

A Total Benefit Cost

1 Employer service cost	12,442,532	12,158,445	284,087	0
2 Interest cost	9,241,456	8,726,745	289,566	225,197
3 Expected return on plan assets	(23,085,023)	(23,085,023)	0	0
4 Subtotal	(1,401,035)	(2,199,833)	573,648	225,197
5 Net prior service cost/(credit) amortization	(3,496,248)	(3,467,076)	(28,171)	0
6 Net loss/(gain) amortization	10,459,405	9,273,655	433,400	786,440
7 Subtotal	6,957,245	5,806,577	404,229	786,440
8 Net periodic benefit cost/(income)	5,556,251	3,606,742	977,872	1,011,637
9 Curtailment gain or loss	0	0	0	0
10 Settlement gain or loss	0	0	0	0
11 Special contractual termination benefits	0	0	0	0
12 Total benefit cost	5,556,251	3,606,742	977,872	1,011,637

Willis Towers Watson

The information contained in this exhibit is incomplete without the supporting letter

El Paso Electric Company

OPRI

Disclosure for Fiscal Year Ending 31 Dec 20 under US GAAP

US Dollars

Reconciliation of Net Balances

A Reconciliation of Prior Service Cost/(Credit) Bases

1 Net amount at prior fiscal year end	(23,472,150)
2 Amortization amount	3,053,264
3 Plan amendments	0
4 Effect of curtailments	0
5 Other events	0
6 Net amount at current fiscal year end	(20,378,886)

B Reconciliation of Net Loss/(Gain)

1 Net amount at prior fiscal year end	(38,139,438)
2 Amount recognized	2,727,822
3 Experience loss/(gain)	(19,143,592)
4 Effect of curtailments	0
5 Effect of settlements	0
6 Other events	0
7 Net amount at current fiscal year end	(54,556,209)

Summary of Components of Benefit (Cost) and Cash Flows

31 Dec 21

A Total Benefit Cost

1 Employer service cost	3,165,476
2 Interest cost	1,020,994
3 Expected return on plan assets	(3,281,473)
4 Subtotal	904,997
5 Net prior service cost/(credit) amortization	(3,053,264)
6 Net loss/(gain) amortization	(3,226,331)
7 Subtotal	(6,815,585)
8 Net periodic benefit cost/(income)	(5,914,588)
9 Curtailment gain or loss	0
10 Settlement gain or loss	0
11 Special contractual termination benefits	0
12 Total benefit cost	(5,914,588)

2021 Estimated NPBC		2021 Service Cost	
RDP	3,606,742	12,158,445	
Excess	977,872	284,087	
SERP	1,011,637	-	
OPRB	(5,914,588)	3,165,476	

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR CYNTHIA S PRIETO
 PREPARER MYRNA A ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Source: Schedule G-15 from RMS (Draft 03 04 21)

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
SCHEDULE G-15 MONTHLY O&M EXPENSE
SPONSOR JENNIFER I BORDEN / CYNTHIA S PRIETO
PREPARER MYRNA A ORTIZ / MELODY BOISSELIER
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

SCHEDULE G-15
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Line No	FERC Acct	(a) Description	(m) December	(n) Total	(o) Payroll Expense	(p) Other Expense	(q) Per Book Total	(r) Non-Payroll Adjustments	(s) Payroll Adjustment (B)	(t) As Adjusted Total
Administrative & General Expense										
Operation										
107	920000	Administrative & General Salaries	2,836,144	31,939,633	31,939,633	0	31,939,633	0	0	31,939,633
108	921000	Office Supplies & Expenses	746,006	5,473,363	0	5,473,363	5,473,363	0	0	5,473,363
109	923000	Outside Services Employed	1,505,763	15,916,521	0	15,916,521	15,916,521	0	0	15,916,521
110	924000	Property Insurance	427,783	4,852,276	0	4,852,276	4,852,276	0	0	4,852,276
111	924000	Property Insurance - PV	1,161,083	0	0	0	0	0	0	0
112	925000	Injures & Damages	211,468	3,644,212	0	3,644,212	3,644,212	0	0	3,644,212
113	925000	Injures & Damages - PV	(540,598)	0	0	0	0	0	0	0
114	926000	Employee Pensions & Benefits	1,812,039	18,332,362	0	18,332,362	18,332,362	0	0	18,332,362
115	926000	Employee Pensions & Benefits - PV	(3,658,101)	0	0	0	0	0	0	0
116	928000	Regulatory Commission Expenses	2,063,856	13,218,765	0	13,218,765	13,218,765	0	0	13,218,765
117	928000	Regulatory Commission Expenses - PV	(2,405,316)	0	0	0	0	0	0	0
118	930100	General Advertising Expenses	582,255	1,693,142	0	1,693,142	1,693,142	0	0	1,693,142
119	930200	Miscellaneous General Expenses	14,439	3,015,826	0	3,015,826	3,015,826	0	0	3,015,826
120	930200	Miscellaneous General Expenses - PV	(11,662,451)	427,487	0	427,487	427,487	0	0	427,487
121	931000	Rents	36,490	406,234	0	406,234	406,234	0	0	406,234
122		Total Operation	(7,069,338)	98,919,801	3,979,633	6,069,168	98,919,801	0	0	98,919,801
123	935000	Maintenance of General Plant	488,941	9,520,823	230,131	260,662	9,520,823	0	0	9,520,823
124		Total Administrative & General Expense	(6,580,397)	108,440,624	32,169,764	76,270,860	108,440,624	0	0	108,440,624
125		Total Operation & Maintenance Expense	53,189,240	\$ 528,631,061	\$ 83,537,342	\$ 444,769,546	\$ 628,631,061	\$ (0)	\$ 0	\$ 528,631,061

Totals per schedule G-15
 Employee Pensions & Benefits 18,332,362
 Employee Pensions & Benefits - PV 0

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REVISED - ERRATA NO. 1

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR CYNTHIA S PRIETO
 PREPARER. MYRNA A ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Source: 2020 Compensation Cost Summary Report

858,940 Compensation for Performance Shares
 (219,373) Less capitalized amount
639,567

El Paso Electric Company Restricted and Performance Stock Summary of Compensation Cost for Prior Period As of 12/31/2020					
Category	2020/2020		2019/2019		
	Restricted Stock	Performance Stock	Restricted Stock	Performance Stock	
4th Quarter-Current Year	-	123,727	-	685,656	-
3rd Quarter-Current Year	112,362	923,659	122,788	639,925	-
2nd Quarter-Current Year	373,280	(554,959)	651,942	725,029	(466,309)
1st Quarter-Prior Year	373,278	490,364	658,161	769,421	36,425
	858,940	582,791	1,432,891	2,320,031	(429,884)
Summary of Restricted and Performance Stock for 2020					
	Grand Total	Rounded Expense			
4th Quarter-Current Year	-	0			
3rd Quarter-Current Year	235,170	200,000			
2nd Quarter-Current Year	1,025,222	1,000,000			
1st Quarter-Prior Year	1,031,889	1,000,000			
Total 12 Months Ended	2,292,281	2,200,000			
Summary of Restricted and Performance Stock for 2019					
	Grand Total	Rounded Expense			
4th Quarter-Current Year	1,009,389	1,000,000			
3rd Quarter-Current Year	963,584	1,000,000			
2nd Quarter-Current Year	(796,239)	(800,000)			
1st Quarter-Prior Year	1,296,210	1,300,000			
Total 12 Months Ended	2,472,938	2,500,000			

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
OPERATION AND MAINTENANCE EXPENSE
EMPLOYEE PENSIONS AND BENEFITS
SPONSOR CYNTHIA S PRIETO
PREPARER MYRNA A ORTIZ
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Queries for OPEB and Pension Benefits (SERVICE COSTS ONLY)

CR Query Report El Paso Electric		
Account	Project	Amount
926000 EMPLOYEE PENSIONS & BEN	AP763 OPEB	(\$3,848,723.00)
		(\$3,848,723.00)
CRITERIA Account = 926000 Amount Type = Actuals Company = (Company 98 Rollup) (Structure 2) GL Journal Category = 6236-OTHER PST RET BEN 106 Month Number like 2020X Project = AP763		

(3,848,723)

CR Query Report El Paso Electric		
Account	Project	Amount
926000 EMPLOYEE PENSIONS & BEN	AP761 PENSIONS	\$4,591,228.00
		\$4,591,228.00
CRITERIA Account = 926000 Amount Type = Actuals Company = (Company 98 Rollup) (Structure 2) GL Journal Category = 6235-OTHER BEN 106 Month Number like 2020X Project = AP761		

4,591,228

CR Query Report El Paso Electric		
Account	Project	Amount
926000 EMPLOYEE PENSIONS & BEN	AP765 EXCESS BENEFIT PLAN	\$900,686.00
		\$900,686.00
CRITERIA Account = 926000 Amount Type = Actuals Company = (Company 98 Rollup) (Structure 2) GL Journal Category = 6231-EXCESS BENEFIT PLAN Month Number like 2020X Project = AP765		

900,686

CR Query Report El Paso Electric		
Account	Project	Amount
926000 EMPLOYEE PENSIONS & BEN	AP764 SERP	\$1,041,445.00
		\$1,041,445.00
CRITERIA Account = 926000 Amount Type = Actuals Company = (Company 98 Rollup) (Structure 2) GL Journal Category = 6249-SUP PENSION D9 SUP RET Month Number like 2020X Project = AP764		

1,041,445

Summary of NPBC for 2020					
	RIP	Other	SERP	OPEB	Total
Service Cost	11,628,831	273,347		2,577,875	14,479,953
Interest Cost	11,217,210	570,494	803,738	1,848,025	14,440,387
Expected Return on Assets	(22,975,261)			(5,454,371)	(28,429,632)
Amort of Gain/Losses	7,889,808	275,831	657,206	2,777,828	11,599,673
Amort of Prior Service Credit/Def	(5,467,078)	(35,045)		(5,093,254)	(10,595,377)
	1,291,238	981,696	1,461,445	(5,848,723)	2,484,656
Net Service Cost Components	(7,037,605)	627,359	1,041,445	(6,428,329)	(11,795,330)

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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El Paso Electric Company
 Calculation of 401(k) Expenses

Description	Amount	
Test year 401(k) expense	\$ 5,302,570	Gross 401(k)
Divided by: Test year gross payroll including non-financial incentive compensation	<u>\$ 123,977,778</u>	(Adj 3 p3, less Adj 3, pg 8)
401(k) expense percent of payroll	4.277033%	
Times: Requested gross payroll and non- financial incentive compensation	<u>\$ 115,346,201</u>	(Adj 3, p2, lines 10+13)
Requested 401(k) expense	\$ 4,933,394.64	
Benefit O&M %	<u>74.46%</u>	(1 - cap rate)
	3,673,406	
Less: Test year expense	<u>\$ 3,930,336</u>	
Adjustment to 401(k) expense	<u>(256,930)</u>	

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 EMPLOYEE PENSIONS AND BENEFITS
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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El Paso Electric Company
Envision RX Quarterly Rebates
Test Year Ended December 31, 2020

Period	Actives	Retirees*	Total
Prior to Test Year	217,441.73	\$ 17,104.10	\$ 234,545.83
During Test Year	517,100.68	\$ 69,308.82	\$ 586,409.50

***Amounts designated as rebates for Retirees were credited to the trust.**

	Total Rebate	Actives	Month Booked
Q3'19 Rebate	\$ 122,921.66	114,423.78	202003
Q4'19 Rebate	\$ 111,624.17	103,017.95	202002
Q1'20 Rebate	\$ 299,485.90	266,489.34	202009
Q2'20 Rebate	\$ 286,923.60	250,611.34	202012

\$217,441.73 relates to EnvisionRx rebates for Q3 2019-Q4 2019 recorded during 2020 for actives.

Adj to medical expenses for current test year	217,442
Cap rate	25.54%
	<u>55,535</u>
Net of cap	<u>161,907</u>

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 DECOMMISSIONING EXPENSE
 SPONSOR: LARRY J. HANCOCK
 PREPARED BY: LARRY J. HANCOCK
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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(a)		(b)
Line No.	Description	Amount
	Decommissioning Funding/Accretion Account 411109	
1	Expense Amount, As Adjusted	\$ 138,102 (A)
	Less:	
2	Amount Per Book	<u>9,847,575</u>
3	Adjustment	<u>\$ (9,709,474)</u>
	Rio Grande, Newman, Copper and Montana	
4	Liability Accretion	\$ 138,102
5	Palo Verde NDT Funding	<u>0</u>
6	Total Expense, as Adjusted	<u>\$ 138,102 (A)</u>

Justification for requested adjustment:

Accretion expense has been included for the natural gas-fired generation plants listed on line 4 above. No PV funding will be requested in this case.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 DECOMMISSIONING EXPENSE
 SPONSOR: LARRY J. HANCOCK
 PREPARED BY: LARRY J. HANCOCK
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Operating Segment	Amount
151 - PALO VERDE - UNIT 1	\$ 3,119,124
152 - PALO VERDE - UNIT 2	2,912,075
153 - PALO VERDE - UNIT 3	2,817,550
154 - PALO VERDE - COMMON	845,340
155 - PALO VERDE - WRF	15,384
120 - RIO GRANDE - COMMON	63,652
110 - NEWMAN - COMMON	46,785
180 - MONTANA PWR STATION - COMMON	13,773
130 - COPPER	9,559
900 - SERVCO	4,332
	<u>\$ 9,847,575</u>

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 PALO VERDE ADJUSTMENT
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO. 6
 PAGE 1 OF 4

Line No.	(a) Description	(b) Amount
	Palo Verde Adjustment FERC Account No. 524000	
1	Expense Amount, As Adjusted	\$ 42,512,917
	Less:	
2	Amount Per Book	<u>42,735,916 (A)</u>
3	Adjustment	<u>\$ (222,999)</u>

Notes:

(A)

As explained in the direct testimony of Cynthia S. Prieto, in compliance with the FERC audit report in Docket No. PA19-3-000, in December 2020, the Company reclassified portions of the billings from Arizona Public Service Company recorded as administrative and general expenses (A&G) into Account 524000, Miscellaneous Nuclear Power Expenses for the operation and maintenance (O&M) of the Palo Verde Generation Station. This reclassification represents a shift from A&G into O&M accounts, not an increase in costs incurred during the test year ended December 31, 2020.

Justification for Requested Adjustments:

This adjustment is necessary to remove the out of period amounts for the 2019 Palo Verde true-up recorded in the Test Year. Property Insurance and Injuries & Damage costs were adjusted to reflect current and budgeted premium costs provided by APS.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 PALO VERDE ADJUSTMENT
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 6
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Line No.	(a) FERC Account 524 - Miscellaneous Nuclear Power Expense	(b) 2019 Out of Period Adjustment (A)	(c) Insurance Premium Adjustment (B)	(d) Total Adjustments
1	Property Insurance Adj	\$ -	\$ 1,567,947	\$ 1,567,947
2	Injuries and Damages Adj	100,874	(333,282)	(232,408)
3	Employee Pensions & Benefits Adj	592,631	-	592,631
4	Miscellaneous General Expense Adj	(2,151,169)	-	(2,151,169)
5	Total	<u>\$ (1,457,664)</u>	<u>\$ 1,234,665</u>	<u>\$ (222,999)</u>

Notes:

(A) To remove the 2019 Palo Verde true-up recorded in the Test Year.

(B) To reflect insurance premiums as provided by APS based on current premiums or budget.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 PALO VERDE ADJUSTMENT
 SPONSOR JENNIFER I. BORDEN
 PREPARER ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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PALO VERDE				
2019 True-ups for A&G and Payroll Loads				
Billed in May 2020				
\$(,000)				
<u>FERC Account</u>	<u>Description</u>	<u>A&G</u>	<u>Payroll Load</u>	<u>Total</u>
107	Construction Work in Progress	\$207	(\$495)	(\$289)
120.1	Nuclear Fuel in Process	18	(41)	(23)
186	Miscellaneous Deferred Debits		(11)	(11)
232	Liability		0	0
408.1	Taxes Other than Income Tax		(1,218)	(1,218)
925	Injuries and Damages		(638)	(638)
926	Employee Pension & Benefits		(4,866)	(4,866)
926 TO/ROA	Employee Pension & Benefits		1,115	1,115
930.2	Miscellaneous General Expenses	<u>13,615</u>	<u>0</u>	<u>13,615</u>
Net Adjustments		<u>\$13,840</u>	<u>(\$6,154)</u>	<u>\$7,686</u>

Source: PV O&M contact at APS

Added by Regulatory
 Accounting

EPE portion 15.80% Out-of-Period Amounts
(100,874)
(768,877)
176,246
2,151,169
<u>\$1,457,664</u>

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 PALO VERDE ADJUSTMENT
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Account 924000 Property Insurance			
Current Premiums provided by APS:	% Owned by EPE	Total PVGS	EPE Share
NEIL Primary Property	15.80%	\$ 4,500,728	\$ 711,115
Excess Property & Decontamination	15.80%	867,564	137,075
NEIL Excess Non-Nuclear Property	15.80%	236,663	37,392
NEIL Outage			296,535
Total EPE 2021 Actual Property Insurance Premium			1,182,117
Less: Per Book adjusted for NEIL Refund 5-Yr Average			(385,830)
Acct 924000 Adjustment			\$ 1,567,947

Account 925000 Injuries and Damages Premiums	
2021 APS Budget \$	283,294
Less: Per Book	616,576
Acct 925000 Adjustment \$	(333,282)

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 COVID-19 RELATED COSTS
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: MYRNA A. ORTIZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO. 7
 PAGE 1 of 2

Line No.	(a) Description	(b) Total Amount
	COVID-19 Related Costs Various FERC Account Nos	
1	Expense Amount, As Adjusted	\$ -
	Less:	
2	Amount Per Book	<u>3,987,723 (A)</u>
3	Expense Adjustment	<u>\$ (3,987,723) (B)</u>

Note:

(A) Includes COVID-19 related costs only.

(B) Test Year Adjustments:

506000	\$ (82,700)
524000	(1,546,840)
549000	(36,076)
556000	(2,935)
566000	(9,598)
586000	(1,885)
588000	(77,018)
903000	(131,276)
904000	(803,227)
921000	(632,746)
923000	(118,966)
926000	(544,456)
	<u>\$ (3,987,723)</u>

Justification for requested adjustment:

On March 26, 2020, the PUCT issued in Docket No 50664, an order authorizing electric utilities to record as regulatory assets, expenses resulting from the effects of COVID-19, including but not limited to, non-payment of qualified customer bills. Therefore, the Company is removing these test year costs from Cost of Service and requesting these amounts be recovered in a separate rider.

See the testimony of EPE witness Cynthia S. Prieto.

Amounts may not add or tie to other schedules due to rounding.

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
OPERATION AND MAINTENANCE EXPENSE
INTERNAL WORKPAPER - COSTS RELATED TO COVID-19 PANDEMIC
SPONSOR CYNTHIA S. PRIETO
PREPARER MYRNA A. ORTIZ
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/ A-3
ADJUSTMENT NO. 7
PAGE 2 of 2

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Line No	Palo Verde Costs (1)	Operational Support (2)	Safety (3)	Customer Support (4)	Medical Costs (5)	Information Technology (6)	Costs Savings (7)	Bad Debt Expense	Total
1 506000 - MISC STEAM POWER EXP	\$ -	\$ 5,118	\$ 77,582	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,700
2 524000 - MISC NUCLEAR POWER EXP	1,546,840	-	-	-	-	-	-	-	1,546,840
3 549000 - MISC OTHER POWER GEN EXP	-	12,493	23,583	-	-	-	-	-	36,076
4 556000 - SYSTM CONTROL & LOAD DISP	-	-	2,935	-	-	-	-	-	2,935
5 566000 - MISC TRANSMISSION EXP	-	1,540	8,058	-	-	-	-	-	9,598
6 586000 - METER EXPENSES	-	-	1,885	-	-	-	-	-	1,885
7 588000 - MISC DISTR EXPENSE	-	15,863	61,154	-	-	-	-	-	77,018
8 903000 - CUST RECORDS & COLL EXP	-	451	11,863	111,957	-	7,005	-	-	131,276
9 904000 - UNCOLLECTIBLE ACCOUNTS	-	-	-	-	-	-	-	803,227 (8)	803,227
10 921000 - OFFICE SUPPLIES & EXP	-	235,356	1,061,103	31,639	-	73,375	(768,725)	-	632,746
11 923000 - OUTSIDE SVS EMPLOYED	-	66,078	14,143	-	-	38,745	-	-	118,966
12 926000 - EMPLOYEE PENSIONS & BEN	-	-	-	-	544,456	-	-	-	544,456
13 COVID-19 related costs included in Cost of Service	1,546,840	336,900	1,262,305	143,596	544,456	119,125	(768,725)	803,227	3,987,723
14 182399 - OTHER REGULATORY ASSETS	-	-	-	-	-	-	-	3,213,020 (9)	3,213,020
15 Total COVID-19 expenses	<u>\$ 1,546,840</u>	<u>\$ 336,900</u>	<u>\$ 1,262,305</u>	<u>\$ 143,596</u>	<u>\$ 544,456</u>	<u>\$ 119,125</u>	<u>\$ (768,725)</u>	<u>\$ 4,016,247</u>	<u>\$ 7,200,743</u>
16 450000 - FORFEITED DISCOUNTS									944,710 (10)
17 Total COVID-19 rider request									<u>\$ 8,145,453</u>

Notes:

- (1) O&M charges from APS identified as COVID-19 related, including outside services and materials and supplies costs
- (2) Security, medical consulting, food and accommodations (i.e. beds, freezers, washers, dryers, televisions)
- (3) Personal protective equipment, janitorial services, disinfectants, etc
- (4) Mailings and notices related to COVID-19
- (5) Medical claims and testing costs for COVID-19 incurred between March 2020 and November 2020
- (6) Third party support, software (webex and cell service), computer peripherals (headsets, printers, cables), added due to COVID-19.
- (7) Costs savings identified for office supplies and training and travel when comparing 2020 to 2019 costs.
- (8) COVID-19 related bad debts charged to expense
- (9) COVID-19 related bad debts charged to regulatory assets
- (10) Late payment fees not assessed to customers between March 2020 and October 2020 per PUCT orders.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 OUTSIDE SERVICES EMPLOYED
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: MELODY BOISSELIER
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 8
 PAGE 1 OF 1

Line No.	(a) Description	(b) Amount
	Outside Services Employed FERC Account Nos. 923000 and 930200	
1	Expense, As Adjusted	\$ 19,390,455
	Less:	
2	Expense Per Book	19,359,815
3	Adjustment	\$ 30,640

Account	As Adjusted	Per Books	Adjustment
923000	16,019,966	15,916,522	103,444 (A)
930200	3,370,490	3,443,294	(72,804) (B)
	<u>\$ 19,390,455</u>	<u>\$ 19,359,815</u>	<u>\$ 30,640</u>

Justification for Requested Adjustment

(A) Adjustment for fee increases of \$173,644 for internal auditors, partially offset by a decrease of \$70,200 for external auditors fees.

(B) Adjustment to remove New York Stock Exchange fees.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 PROPERTY INSURANCE
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 9
 PAGE 1 OF 2

Line No.	(a) Description	(b) Amount
	Property Insurance FERC Account No. 924000	
1	Expense Amount, As Adjusted	\$ 5,329,751
	Less:	
2	Amount Per Book	<u>4,852,276 (A)</u>
3	Adjustment	<u>\$ 477,475</u>

(A) Includes Local Insurance only.

Justification for Requested Adjustment:

Property Insurance is restated to reflect current premiums for Insurance Policies.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 PROPERTY INSURANCE
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 9
 PAGE 2 OF 2

(a)		(b)
Line No.	Description	Annual Amount
	<u>Property Insurance Premiums</u>	
1	All Risk Property - Boiler & Machinery (04/01/20 - 04/01/21)	\$ 5,290,000
2	Blanket Crime (07/1/20 - 07/1/21)	<u>39,751</u>
3	Total Adjusted Property Insurance	<u>\$ 5,329,751</u>

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 INJURIES AND DAMAGES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 10
 PAGE 1 OF 3

Line No.	(a) Description	(b) Amount
	Injuries and Damages FERC Account No. 925000	
1	Expense Amount, As Adjusted	\$ 3,319,277
	Less:	
2	Amount Per Book	<u>3,644,212 (A)</u>
3	Adjustment	<u>\$ (324,935)</u>

Note:
 (A) Includes Local Insurance only.

Justification for Requested Adjustment:

Injuries and Damages Insurance is restated to reflect premiums for current Insurance Policies.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 INJURIES AND DAMAGES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 10
 PAGE 2 OF 3

Line No.	(a) Description	(b) Annual Amount
	<u>Liability Insurance Premiums</u>	
1	Employment Practices Liability (07/29/20 - 07/29/21)	\$ 60,702
2	Excess Liability (06/01/20 - 06/01/21)	2,080,613
3	D & O Liability (07/29/20 - 07/29/21)	324,416
4	Pension Trust Liability (07/29/20 - 07/29/21)	20,009
5	Excess Pension Trust Liability (07/29/20 - 07/29/21)	70,000
6	Cyber Liability (05/01/20 - 5/01/21)	95,690
7	Kidnap/Ransom & Extortion (12/1/20 - 12/1/21)	4,654
8	Foreign Package (02/09/20 - 02/09/21)	3,500
9	Notary Errors & Ommi Bond (3/10/20 - 03/10/21)	616
10	Sub-Total Premiums	<u>\$ 2,660,200</u>
11	Workers' Compensation (06/01/20 - 06/01/21)	196,560
12	Operation and Maintenance Expense Ratio	<u>75.29%</u>
13	Workers' Compensation Included in Expense	<u>147,990</u>
14	Total Premiums	\$ 2,808,190
15	Recurring Local Operations Expense (1/01/20 - 12/31/20)	<u>511,087</u>
16	Total Adjusted Injuries and Damages Expense	<u><u>\$ 3,319,277</u></u>

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 INJURIES AND DAMAGES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 10
 PAGE 3 OF 3

Line No.	(a) Description	(b) Total
	Account 925000 Recurring Operating Expenses	
1	Prepaid Insurance Dir & Officers	\$ (712,978)
2	Prepaid Insurance Liability	(2,269,641)
3	Prepaid Workers Compensation	(150,506)
4	Total Test Year Expenses Reflected in Premiums	(3,133,125)
5	Amount Per Books	3,644,212
6	Total Recurring Operating Expenses not reflected in premiums	\$ 511,087

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 AMORTIZATION OF REGULATORY ASSETS
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: MELODY BOISSELIER
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WPIA-3
 ADJUSTMENT NO. 11
 PAGE 1 OF 1

	(a)	(b)	(c)	(d)
Line No.	Description			Amount
	Amortization of Regulatory Assets FERC Accounts 407.3			
1	Balance, As Adjusted			\$ 5,020,299
	Less:			
2	Amount Per Books			2,238,525
3	Adjustment			<u>\$ 2,781,774</u>

Justification for requested adjustment:

	Regulatory Asset Amortization	Per Book	Adjustment	As Adjusted	
4	COVID-related Regulatory Asset	\$ -	\$ 2,781,774	\$ 2,781,774	(A)
5	New Mexico Regulatory Assets	1,448,181	-	1,448,181	(B)
6	Texas FC Decommissioning	790,344	-	790,344	
7	Total	<u>\$ 2,238,525</u>	<u>\$ 2,781,774</u>	<u>\$ 5,020,299</u>	

Notes:

- (A) To include one year of amortization of the COVID costs as discussed in EPE witness Prieto's testimony.
- (B) New Mexico Regulatory Asset amortization is direct assigned to New Mexico.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 RATE CASE AND OTHER REGULATORY EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 12
 PAGE 1 OF 2

Line No.	(a) Description	(b) Amount
	Regulatory Commission Expense FERC Account No. 928000	
1	Expense, As Adjusted	\$ 3,111,445
	Less:	
2	Amount Per Book	<u>3,714,886 (A)</u>
3	Adjustment	<u>\$ (603,441)</u>

Note:

(A) This amount does not include Energy Efficiency costs:

Rate Case and Other Regulatory Activities (page 2)	\$ 3,714,886
Energy Efficiency	<u>9,503,879</u>
Amount Per Book	<u><u>13,218,765</u></u>

Justification for Requested Adjustment

This adjustment represents the removal of costs recovered through a separate surcharge/rider, the inclusion of the estimated 2021 rate case expenses amortized over four years and the 2017 TX rate case expenses incurred after August 2017 per the Final Order in Case 46831, also amortized over four years. See Company Witness Schichtl's testimony for the proposed recovery of the current rate case expenses.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 RATE CASE AND OTHER REGULATORY EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 12
 PAGE 2 OF 2

EL PASO ELECTRIC COMPANY 2021 TEXAS RATE CASE FILING SCHEDULE G-14 REGULATORY COMMISSION EXPENSES SPONSOR: JENNIFER I. BORDEN PREPARER: DENISE PEREZ FOR THE TEST YEAR ENDED DECEMBER 31, 2020					SCHEDULE G-14 PAGE 1 OF 1	
Line No.	(a) Description	(b) Docket No.	(c) Test Year Amount	(d) Company Adjustment	(e) Company Request	
1	FERC Audit 2019	PA19-3-000	\$ 79,594	\$ -	\$ 79,594	
2	2019 NM Long Term Purchased Power Agreements	19-00348-UT	164,322		164,322	(F)
3	2015 TX Rate Case Expense	44941	369,120	(369,120) (B)	0	
4	2017 TX Rate Case Expense	46831	1,130,196	(1,130,196) (B)	0	
5	Annual FERC Fees	N/A	487,710		487,710	
6	NM Newman 6 Certificate of Convenience and Necessity	19-00349-UT	317,959		317,959	(F)
7	2019 TX Fuel Reconciliation	50058	344,535	(258,401) (C)	86,134	
8	Regulatory Activity Texas	(A)	240,615		240,615	
9	Regulatory Activity New Mexico	(A)	283,175		283,175	(F)
10	Regulatory Activity FERC	(A)	62,248		62,248	(F)
11	NM Renewable Procurement Plan Filing	19-00099-UT	217,012		217,012	(F)
12	PCAOB Annual Fees	N/A	18,400		18,400	
13	2017 TX Rate Case Expense-Post August 2017	46831	0	95,513 (D)	95,513	
14	2021 TX Rate Case		0	1,058,763 (E)	1,058,763	
15	Total		\$ 3,714,886	\$ (603,441)	\$ 3,111,445	

Notes:

(A) Regulatory activity consists of other general regulatory expenses not identifiable to any particular case.

(B) Represents adjustments related to costs recovered through a separate surcharge/rider

(C) To remove three-fourths of the costs related to the 2019 Fuel Reconciliation.

(D) To include one-fourth of the 2017 TX rate case costs incurred after August 2017 per the Final Order in Case 46831.

(E) Represents one-fourth of the estimated rate case expenses presented in Schedule G-14 1.

(F) These regulatory commission expenses will be direct assigned to Other and not included in the Texas revenue requirement request.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION & MAINTENANCE EXPENSE
 MISCELLANEOUS GENERATION O&M
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/ A-3
 ADJUSTMENT NO. 13
 PAGE 1 OF 2

Line No.	(a) Description	(b) Amount
	Rio Grande Unit 6 Generation O&M Various FERC Account Nos.	
1	Expense Amount, As Adjusted	\$ 0
	Less:	
2	Amount Per Book	<u>48,136</u>
3	Adjustment	<u>\$ (48,136)</u>

Justification for Requested Adjustments:

This adjustment removes O&M expenses related Rio Grande Unit 6.

See the testimony of EPE witness Olsen.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION & MAINTENANCE EXPENSE
 MISCELLANEOUS GENERATION O&M
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WPI A-3
 ADJUSTMENT NO 13
 PAGE 2 OF 2

Line No	(a) Account No	(b) Description	(c) Per Book Amount	(d) Adjustment	(e) As Adjusted Amount
<u>Rio Grande Unit 6 O&M Costs (A)</u>					
1	512000	Maintenance of Boiler Plant	\$ 109	\$ (109)	\$ 0
2	513000	Maintenance of Electric Plant	47,694	(47,694)	0
3	514000	Maintenance of Miscellaneous Steam Plant	333	(333)	0
4		Total Miscellaneous Generation Expense Adjustment	<u>\$ 48,136</u>	<u>\$ (48,136)</u>	<u>\$ 0</u>

Notes.

(A) This adjustment eliminates Non-Payroll O&M expenses related to Rio Grande Unit 6

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 DEPRECIATION AND AMORTIZATION EXPENSE
 SPONSOR: LARRY J. HANCOCK
 PREPARER: LARRY J. HANCOCK
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 14
 PAGE 1 OF 3

(a)		(b)
Line No.	Description	Amount
	Depreciation and Amortization FERC Account Nos. 403000, 403100 & 404000	
1	Adjusted Depreciation and Amortization Expense	\$ 126,643,814
	Less:	
2	Amount Per Book	<u>106,473,349</u>
3	Adjustment	<u>\$ 20,170,465</u>

Justification for requested adjustment:

This adjustment reflects the adjustments made to plant in service as shown in Adjustment No.1 and the application of the new depreciation rates, both discussed in EPE Witness Hancock's testimony. The depreciation and amortization expense adjustments are described on page 2.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 DEPRECIATION AND AMORTIZATION EXPENSE
 SPONSOR: LARRY J. HANCOCK
 PREPARER: LARRY J. HANCOCK
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 14
 PAGE 2 OF 3

Line No.	(a) Description	(b) Per Book Expense	(c) Adjustments	(d) Adjusted Expense
1	Production Plant	\$ 24,905,884	\$ 10,220,675 (B)	\$ 35,126,559
2	Palo Verde Production Plant	29,402,205	(2,962,372) (C)	26,439,833
3	Asset Retirement Obligation	(1,334,255)	1,317,164 (D)	(17,091)
4	Transmission Plant	7,724,410	1,705,185 (E)	9,429,595
5	Distribution Plant	24,641,929	6,869,911 (F)	31,511,840
6	General Plant	11,993,473	4,017,898 (G)	16,011,371
7	Total Depreciation Expense	97,333,646	21,168,461	118,502,107
8	Amortization Expense	9,139,703	(997,996) (H)	8,141,707
9	Total Depreciation & Amortization	<u>\$ 106,473,349</u>	<u>(A) \$ 20,170,465</u>	<u>\$ 126,643,814</u>

Notes:

- (A) FERC Accounts: 403000, 403100, 404000
- (B) To include \$10,547,071 related to new plant additions and new depreciation rates based on the 2019 GF Study, to remove \$(317,303) related to the Copper Turbine and \$(9,093) related to capitalized incentive compensation.
- (C) To restate PVGS depreciation expense by \$(2,962,372).
- (D) To remove ARO depreciation expense of \$1,317,164 related to PVGS.
- (E) To include \$1,722,531 related to new plant additions and new depreciation rates and to remove \$(17,346) related to capitalized incentive compensation.
- (F) To include \$6,982,092 related to new plant additions and new depreciation rates and to remove \$(112,181) related to capitalized incentive compensation.
- (G) To include \$1,957,245 adjustment to per book expense for transportation equipment, \$2,091,931 due to new rates and new plant additions for other general plant, and to remove \$(31,278) related to capitalized incentive compensation.
- (H) To exclude amortization expense related to capitalized incentive compensation of \$(39,647) and \$(958,349) related to the annualization of various software projects.

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
DEPRECIATION AND AMORTIZATION EXPENSE
SPONSOR: LARRY J. HANCOCK
PREPARER: LARRY J. HANCOCK
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
ADJUSTMENT NO. 14
PAGE 3 OF 3

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Line No	Function	Per Book	PV Revaluation	New Rates/Plant Additions	Copper Turbine	Capitalized Incentive Compensation	Adjustments to Depreciable Plant	Adjustments to Intangible Plant Amortization	Total Adjustments	Adjusted
1	Production	\$ 24,905,884	\$ -	\$ 10,547,071	\$ (317,303)	\$ (9,093)	\$ -	\$ -	\$ 10,220,675	\$ 35,126,559
2	Palo Verde Production	29,402,205	(2,962,372)	-	-	-	-	-	(2,962,372)	26,439,833
3	ARO	(1,334,255)	1,317,164	-	-	-	-	-	1,317,164	(17,091)
4	Transmission	7,724,410		1,722,531	-	(17,346)	-	-	1,705,185	9,429,595
5	Distribution	24,641,929		6,982,092	-	(112,181)	-	-	6,869,911	31,511,840
6	General	11,993,473		2,091,931	-	(31,278)	1,957,245	-	4,017,898	16,011,371
7	Depreciation Expense	97,333,646	(1,645,208)	21,343,625	(317,303)	(169,897)	1,957,245	-	21,168,461	118,502,107
8	Amortization Expense	9,139,703				(39,647)		(958,349)	(997,996)	8,141,707
9	Total Depreciation & Amortization Expense	\$ 106,473,349	\$ (1,645,208)	\$ 21,343,625	\$ (317,303)	\$ (209,544)	\$ 1,957,245	\$ (958,349)	\$ 20,170,465	\$ 126,643,814

WP/A-3
ADJUSTMENT NO. 14
PAGE 3 OF 3

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 PROPERTY TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/ A-3
 ADJUSTMENT NO. 15
 PAGE 1 OF 2

(a)		(b)
Line No.	Description	Amount
	Property Tax FERC Account No. 408100	
1	Expense Amount, As Adjusted	\$ 29,105,002
	Less:	
2	Amount Per Book	<u>28,273,987</u>
3	Adjustment	<u>\$ 831,015</u>

Justification for requested adjustment:

Property taxes are annualized to reflect the most current plant balances.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 PROPERTY TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/ A-3
 ADJUSTMENT NO. 15
 PAGE 2 OF 2

Line No.	(a) Total Property Taxes Summary	(b) Net Plant Balances January 1, 2020	(c) Property Taxes Taxes Assessed	(d) Effective Tax Rate
1	Balances as of Jan. 1, 2020	\$ 2,953,915,373 (A)	\$ 28,273,987 (B)	0.95717%
2	Net Plant Balances as of Dec. 31, 2020			\$ 3,040,735,338 (C)
3	Requested Property Taxes			<u>\$ 29,105,002</u>
Test Year Ended December 31,				
	Property Taxes by State	2020 (D)	Requested (E)	Adjustment
4	Arizona	\$ 6,647,928	\$ 6,843,320	\$ 195,392
5	New Mexico	3,907,431	4,022,276	114,845
6	Texas	17,718,628	18,239,406	520,778
7	Total	<u>\$ 28,273,987</u>	<u>\$ 29,105,002</u>	<u>\$ 831,015</u>

Notes:

- (A) Net Plant Balance at January 1, 2020 from FERC Form 1, page 110, column (c) line 2.
- (B) Represents property taxes expensed related to Plant In Service balances and does not include property taxes which were capitalized to CWIP. Agrees to Schedule G-9, page 1, column (e), sum of lines 1, 2 and 3.
- (C) Agrees to Net Plant in Service balance at 9/30/16 as adjusted, excluding the adjustment for the revaluation of Palo Verde. Agrees to WP B-1/1, Adj No. 1 Plant in Service, page 3, column (j), line (8) less column (b), line (8); less WP B-1/1 Adj No.12 Accum Depr, page 3, column (k), line (10) less column (b), line (10).
- (D) Property tax balances for test year ended December 31, 2020 per Schedule G-9, page 1, column (e), lines 1 to 3.
- (E) As Requested property taxes allocated to states based on test year end balance ratio to total property taxes.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 PAYROLL TAXES
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 16
 PAGE 1 OF 3

Line No.	(a) Description	(b) Amount
	Payroll Taxes FERC Account No. 408100	
1	Expense Amount, As Adjusted	\$ 5,122,464
	Less:	
2	Amount Per Book	<u>6,443,320</u>
3	Adjustment for EPE Payroll Taxes	(1,320,856)
	PVGS Payroll Adjustment	192,444 (A)
4	Total Adjustment for Payroll Taxes:	<u>\$ (1,128,412)</u>

Note:

Justification for requested adjustment:

Payroll taxes have been adjusted to reflect current salary and wage levels and 2021 maximum payroll subject to payroll taxes.

- (A) Adjustment to remove the out-of-period true-up for PVGS payroll taxes. See WP A-3, Adjustment No. 6 for support for PVGS true-up adjustment.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 PAYROLL TAXES
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 16
 PAGE 2 OF 3

(a)		(b)
Line No.	Description	Amount
1	Number of Employees Earning Over \$142,800	149
2	Total Salaries and Wages of above employees (including bonus)	\$ 56,293,166
3	Salaries and Wages Subject to OASDI Tax (A) (149 x \$142,800)	(21,277,200)
4	Tax Exempt Salaries and Wages	<u>\$ 35,015,966</u>
5	Total Gross Annualized Salaries & Wages	\$ 115,346,201 (B)
6	Tax Exempt Salaries and Wages	<u>(35,015,966)</u>
7	OASDI Taxable Salaries and Wages	80,330,235
8	FICA Tax Rate for OASDI	6.20%
9	Annualized OASDI FICA Taxes	<u>\$ 4,980,475</u>
10	Total Gross Annualized Salaries & Wages	\$ 115,346,201 (B)
11	FICA Tax Rate for Medicare	1.45%
12	Annualized Medicare FICA Taxes	<u>\$ 1,672,520</u>
13	Total Annualized FICA Taxes (Line 9 + Line 12)	\$ 6,652,995
14	O & M Expense Ratio including bonuses	<u>74.95% (B)</u>
15	Adjusted Payroll Taxes charged to Operating Expense (Line 13 x Line 14)	<u>4,986,420</u>
16	FUTA and SUTA expense for test year ended December 31, 2020	152,561
17	Total Payroll for test year ended December 31, 2020	<u>129,349,905</u>
18	FUTA/SUTA average tax rate	0.12%
19	Total Gross Annualized Salaries & Wages	<u>115,346,201</u>
20	Annualized FUTA/SUTA Taxes	<u>136,044</u>
21	Adjusted Payroll Taxes charged to Operating Expense (Line 15 + Line 20)	5,122,464
22	Per Book Payroll Taxes	<u>6,443,320 (C)</u>
23	Payroll Tax Adjustment for EPE	<u>\$ (1,320,856)</u>

(A) Old Age, Survivor & Disability Insurance

(B) Please refer to WP/ A-3, Adjustment No. 3 for calculation of the gross annualized salaries and wages and the O&M Expense Ratio.

(C) Refer to Schedule G-9 for FICA, SUTA, and FUTA Totals.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 PAYROLL TAXES
 SPONSOR: CYNTHIA S PRIETO
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO 16
 PAGE 3 OF 3

2021 SOCIAL SECURITY CHANGES

Cost-of-Living Adjustment (COLA):

Based on the increase in the Consumer Price Index (CPI-W) from the third quarter of 2019 through the third quarter of 2020, Social Security and Supplemental Security Income (SSI) beneficiaries will receive a 1.3 percent COLA for 2021. Other important 2021 Social Security information is as follows:

Tax Rate	2020	2021
Employee	7.65%	7.65%
Self-Employed	15.30%	15.30%

NOTE: The 7.65% tax rate is the combined rate for Social Security and Medicare. The Social Security portion (OASDI) is 6.20% on earnings up to the applicable taxable maximum amount (see below). The Medicare portion (HI) is 1.45% on all earnings. Also, as of January 2013, individuals with earned income of more than \$200,000 (\$250,000 for married couples filing jointly) pay an additional 0.9 percent in Medicare taxes. The tax rates shown above do not include the 0.9 percent.

	2020	2021
Maximum Taxable Earnings		
Social Security (OASDI only)	\$137,700	\$142,800
Medicare (HI only)	No Limit	
Quarter of Coverage		
	\$1,410	\$1,470
Retirement Earnings Test Exempt Amounts		
Under full retirement age	\$18,240/yr. (\$1,520/mo.)	\$18,960/yr. (\$1,580/mo.)
NOTE: One dollar in benefits will be withheld for every \$2 in earnings above the limit.		

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 REVENUE RELATED TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 17
 PAGE 1 OF 6

Line No.	(a) Description	(b) Amount
	Texas Occupational and Street Rental (OSR) FERC Account No. 408100	
1	Texas Annualized Operating Revenues	\$ 630,169,716
2	System Adjusted Rate	(A) 0.03986451
3	OSR Tax at Annualized Operating Revenues	25,121,404
4	Per Book Tax	(B) 24,995,586
5	Adjustment Under Current Rates	\$ 125,818
6	Requested Increase in Return	\$ 40,061,227
7	Requested Increase in Income Taxes	11,213,627
8	Requested Increase Before Revenue Taxes	51,274,854
9	Revenue Adjustment Factor	(C) 1.04926388
10	Total Revenue Increase	53,800,852
11	Effective Tax Rate - Texas OSR	(D) 0.02999281
12	Covid-19 Rate Adjustment	3,961
13	Adjustment For Requested Revenues	\$ 1,617,599

Notes:

- (A) See WP/A-3, Adj No. 17, page 6, line 20, column (e).
 (B) See Schedule G-9, line 14, column (f).
 (C) See WP/A-3, Adj No. 17, page 6, line 24, column (c).
 (D) See WP/A-3, Adj No. 17, page 6, line 21, column (e).

Justification for requested adjustment:

These adjustments are made to reflect the annualization of operating revenues and the Company's proposed cost of service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 REVENUE RELATED TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 17
 PAGE 2 OF 6

Line No.	(a) Description	(b) Amount
	<u>Texas Gross Receipts FERC Account No. 408100</u>	
1	Texas Annualized Operating Revenues	\$ 630,169,716
2	System Adjusted Rate	(A) <u>0.015960833</u>
3	Adjusted Tax Under Current Rates	10,058,034
4	Per Book Tax	(B) <u>10,007,659</u>
5	Adjustment Under Current Rates	<u>\$ 50,375</u>
6	Requested Increase in Return	\$ 40,061,227
7	Requested Increase in Income Taxes	<u>11,213,627</u>
8	Requested Increase Before Revenue Taxes	51,274,854
9	Revenue Adjustment Factor	(C) <u>1.04926388</u>
10	Total Revenue Increase	53,800,852
11	Effective Tax Rate - Texas Gross Receipts	(D) <u>0.01200843</u>
12	Covid-19 Rate Adjustment	1,586
13	Adjustment For Requested Revenues	<u>\$ 647,650</u>

Notes:

- (A) See WP/A-3, Adj No. 17, page 6, line 20, column (d).
 (B) See Schedule G-9, line 13, column (f).
 (C) See WP/A-3, Adj No. 17, page 6, line 24, column (c).
 (D) See WP/A-3, Adj No. 17, page 6, line 21, column (d).

Justification for requested adjustment:

These adjustments are made to reflect the annualization of operating revenues and the Company's proposed cost of service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 REVENUE RELATED TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 17
 PAGE 3 OF 6

Line No.	(a) Description	(b) Amount
	<u>Texas Commission Assessment</u> <u>FERC Account No. 408100</u>	
1	Texas Annualized Operating Revenues	\$ 630,169,716
2	System Adjusted Rate	(A) <u>0.001576292</u>
3	Adjusted Tax Under Current Rates	993,331
4	Per Book Tax	(B) <u>988,356</u>
5	Adjustment Under Current Rates	<u>\$ 4,975</u>
6	Requested Increase in Return	\$ 40,061,227
7	Requested Increase in Income Taxes	<u>11,213,627</u>
8	Requested Increase Before Revenue Taxes	<u>51,274,854</u>
9	Revenue Adjustment Factor	(C) <u>1.04926388</u>
10	Total Revenue Increase	53,800,852
11	Effective Tax Rate - Texas Commission Assessment	(D) <u>0.00118595</u>
	Covid-19 Rate Adjustment	157
12	Adjustment For Requested Revenues	<u>\$ 63,962</u>

Notes:

- (A) See WP/A-3, Adj No. 17, page 6, line 20, column (g).
 (B) See Schedule G-9, line 16, column (f).
 (C) See WP/A-3, Adj No. 17, page 6, line 24, column (c).
 (D) See WP/A-3, Adj No. 17, page 6, line 21, column (g).

Justification for requested adjustment:

These adjustments are made to reflect the annualization of operating revenues and the Company's proposed cost of service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 REVENUE RELATED TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 17
 PAGE 4 OF 6

Line No.	(a) Description	(b) Amount
	New Mexico Occupational and Street Rental (NM OSR) FERC Account No. 408100	
1	New Mexico Annualized Operating Revenues	\$ 173,635,344
2	System Adjusted Rate	(A) 0.00050369
3	Adjusted Tax Under Current Rates	87,458
4	Per Book Tax	(B) 88,632
5	Adjustment Under Current Rates	\$ (1,174)
6	Requested Increase in Return	\$ 40,061,227
7	Requested Increase in Income Taxes	11,213,627
8	Requested Increase Before Revenue Taxes	51,274,854
9	Revenue Adjustment Factor	(C) 1.04926388
10	Total Revenue Increase	53,800,852
11	Effective tax rate - NM OSR	(D) 0.00010635
12	Covid-19 Rate Adjustment	14
13	Adjustment For Requested Revenues	\$ 5,736

Notes:

- (A) See WP/A-3, Adj No. 17, page 6, line 20, column (f).
 (B) See Schedule G-9, line 15, column (f).
 (C) See WP/A-3, Adj No. 17, page 6, line 24, column (c).
 (D) See WP/A-3, Adj No. 17, page 6, line 21, column (f)

Justification for requested adjustment:

These adjustments are made to reflect the annualization of operating revenues and the Company's proposed cost of service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 REVENUE RELATED TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 17
 PAGE 5 OF 6

Line No.	(a) Description	(b) Amount
	<u>New Mexico Commission Assessment</u> <u>FERC Account No. 408100</u>	
1	New Mexico Annualized Operating Revenues	\$ 173,635,344
2	System Adjusted Rate	(A) <u>0.00490745</u>
3	Adjusted Tax Under Current Rates	852,107
4	Per Book Tax	(B) <u>888,139</u>
5	Adjustment Under Current Rates	<u>\$ (36,032)</u>
6	Requested Increase in Return	\$ 40,061,227
7	Requested Increase in Income Taxes	<u>11,213,627</u>
8	Requested Increase Before Revenue Taxes	<u>51,274,854</u>
9	Revenue Adjustment Factor	(C) <u>1.04926388</u>
10	Total Revenue Increase	53,800,852
11	Effective Tax Rate - NM Commission Assessment	(D) <u>0.00106570</u>
12	Covid-19 Rate Adjustment	140
13	Adjustment For Requested Revenues	<u>\$ 57,476</u>

Notes:

- (A) See WP/A-3, Adj No. 17, page 6, line 20, column (h).
 (B) See Schedule G-9, line 17, column (f).
 (C) See WP/A-3, Adj No. 17, page 6, line 24, column (c).
 (D) See WP/A-3, Adj No. 17, page 6, line 21, column (h).

Justification for requested adjustment:

These adjustments are made to reflect the annualization of operating revenues and the Company's proposed cost of service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 REVENUE RELATED TAXES
 SPONSOR SEAN M IHORN
 PREPARER TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO 17
 PAGE 6 OF 6

Line No	REVENUE	Per Book Revenue By Jurisdiction				Adj Revenue By Jurisdiction			
		TX	NM	FERC/OTHER	Total Company	TX	NM	FERC/OTHER	Total Company
1	Base incl non-firm (440-445)	533,564,547	127,307,164		660,871,711	537,922,392	127,307,164		665,229,555
2	Fuel (440-445)	81,322,716	41,759,967		123,082,683	80,084,706	34,417,529		114,502,235
3	RGEC (447)			3,661,041	3,661,041			3,606,932	3,606,932
4	University Discount				-	(807,984)			(807,984)
5	Forfeited Disc (450)	431,880			431,880	1,276,178			1,276,178
6	Misc Serv Revs (451)	3,590,292	1,293,457	1,100,558	5,984,307	3,590,292	1,293,457	1,100,558	5,984,307
7	Rent From Elect Prop (454)	2,309,138	796,873		3,106,012	2,309,138	796,873		3,106,012
8	Energy Efficiency Riders (451.1)	5,794,995	4,809,442		10,604,437	5,794,995	4,809,442		10,604,437
9	Rate Case Surcharge (440-445)				-				-
10	Total Base Period Revenue	627,013,568	175,966,903	4,761,599	807,742,071	630,169,716	168,624,466	4,707,490	803,501,673
	Additional Revenues on which NMPRC taxes were paid								
11	Other Electric Revenues (456)	957,119	103,270	3,743	1,064,132	957,119	103,270	3,743	1,064,132
12	Transmission Revenues (456.1)	19,509,898	4,907,608	162,127	24,579,633	19,509,898	4,907,608	162,127	24,579,633
13	Base Period Revenues on which taxes were paid	647,480,586	180,977,782	4,927,469	833,385,836	650,636,734	173,635,344	4,873,360	829,145,438
14	Sales For Resale (447)	65,727,609	16,409,497	620,218	82,757,324	65,919,767	16,203,305	634,252	82,757,324
15	Retained Margins (447)			2,467,543	2,467,543			2,467,543	2,467,543
16	University Discount				-	807,984			807,984
17	Rate Case Surcharge (440-445)	-	-		-	-	-		-
18	Total Revenue on which Revenue taxes were paid	713,208,195	197,387,278	8,015,230	918,610,703	717,364,486	189,838,649	7,975,155	915,178,289
			Texas Utility Gross Receipts	Texas OSR	NM OSR	Texas PUC	NM PUC	Uncollectible	
19	Test Year Tax Expense	\$36,968,373	\$10,007,659	\$24,995,586	\$88,632	\$988,356	\$888,139	\$2,046,029	Includes COVID adj
20	Tax Rate By Jurisdiction (Based on Per Book)		0.015961	0.039865	0.000504	0.001576	0.004907	0.002592	
	Revenue Related Expense To Per Book Total Co Revenue (Ln 13)	0.044359	0.012008	0.029993	0.000106	0.001186	0.001066		
22	Total Company Uncollectible Rate	0.002592							
23	Total Tax and Uncollectible Rate	0.046951							
24	Tax Adjustment factor (1 / (1- Rate))	1.049264							
			TX Ln 10	TX Ln 10	NM Ln 10	TX Ln 10	NM Ln 10	Total Lns 1, 2, 3 and 4	
25	Change in Revenue (Adjusted minus Per Book)		3,156,148	3,156,148	(7,342,438)	3,156,148	(7,342,438)	(4,222,603)	
			Texas Utility Gross Receipts	Texas OSR	NM OSR	Texas PUC	NM PUC	Uncollectible	
26	Change in Revenue Related Fees		\$50,375	\$125,818	(\$3,698)	\$4,975	(\$36,033)	(\$10,943)	
27	Change in NOI Deficiency		\$0	\$0	\$0	\$0	\$0	\$0	
28	L25 x L27		\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Current Adj Amounts		\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Difference		\$0	\$0	\$0	\$0	\$0	\$0	\$0

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 STATE INCOME TAXES
 NEW MEXICO STATE INCOME TAX
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 18
 PAGE 1 OF 2

Line No.	(a)	(b)
	Description	Amount
	New Mexico State Income Tax FERC Account Nos. 409000, 410000 & 411000	
1	Expense at Annualized Present Rates	\$ 1,657,328
2	Less: Amount Per Book	<u>1,656,295</u>
3	Adjustment	<u>\$ 1,033</u>
4	Expense at Requested Rates	\$ 2,232,667
5	Expense at Annualized Present Rates	<u>1,657,328</u>
6	Adjustment	<u>\$ 575,339</u>

Justification for requested adjustment:

This adjustment reflects the calculation of New Mexico Income Tax utilizing the return methodology as presented in Schedule G-7.8.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 STATE INCOME TAXES
 ARIZONA STATE INCOME TAX
 SPONSOR: SEAN M IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 18
 PAGE 2 OF 2

Line No.	(a)	(b)
	Description	Amount
	Arizona State Income Tax FERC Account Nos. 409100, 410000 & 411000	
1	Expense at Annualized Present Rates	\$ (235,027)
	Less:	
2	Amount Per Book	<u>(206,870)</u>
3	Adjustment	<u>\$ (28,157)</u>
4	Expense at Requested Rates	\$ (153,655)
5	Expense at Annualized Present Rates	<u>(235,027)</u>
6	Adjustment	<u>\$ 81,372</u>

Justification for requested adjustment:

This adjustment reflects the calculation of Arizona Income Tax utilizing the return methodology as presented in Schedule G-7.8.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 TAXES OTHER THAN INCOME TAXES
 TEXAS STATE MARGIN TAX
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 19
 PAGE 1 OF 1

(a)		(b)
Line No.	Description	Amount
	Texas State Margin Tax FERC Account Nos. 409100, 410000 & 411000	
1	Expense at Annualized Present Rates	\$ 1,974,320
	Less:	
2	Amount Per Book	<u>1,287,306</u>
3	Adjustment	<u>\$ 687,014</u>
4	Expense at Requested Rates	\$ 2,426,592
5	Expense at Annualized Present Rates	<u>1,974,320</u>
6	Adjustment	<u>\$ 452,272</u>

Justification for requested adjustment:

This adjustment reflects the calculation of Texas State Income Tax as a function of return as presented in Schedule G-7.8.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 FEDERAL INCOME TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 20
 PAGE 1 OF 1

Line No.	(a) Description	(b) Amount
	Federal Income Taxes FERC Account Nos. 409100, 410000 & 411000	
1	Expense at Annualized Present Rates	\$ 20,467,479
	Less:	
2	Amount Per Book	23,561,655
3	Adjustment	<u>\$ (3,094,176)</u>
4	Expense at Requested Rates	\$ 30,572,124
5	Expense at Annualized Present Rates	<u>20,467,479</u>
6	Adjustment	<u>\$ 10,104,645</u>

Justification for requested adjustment:

This adjustment reflects the calculation of Federal Income Tax utilizing the return methodology as presented in Schedule G-7.8.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 MISCELLANEOUS GENERAL EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 21
 PAGE 1 OF 4

	(a)	(b)
Line No.	Description	Amount
	Miscellaneous General Expenses FERC Account No. 930200	
1	Expense Amount, As Adjusted	\$ 2,913,607
	Less:	
2	Amount Per Book	<u>3,015,825</u> (A)
3	Adjustment	<u>\$ (102,218)</u>

Note:

(A)	Per Book Amount
	Excluding Palo Verde Project costs:
	Total FERC Account No. 930200 (Refer to Sch. G-15) \$ 3,443,293
	Palo Verde (Refer to Sch. G-15) <u>(427,468)</u>
	Per Book excluding Palo Verde <u>3,015,825</u>

Justification for Requested Adjustment

To include annual debt commitment fees for the revolving credit facility in test year costs, and annualize Board of Directors' Fees.

Palo Verde Miscellaneous General Expenses are adjusted in Schedule A-3, Adjustment No. 6.

See the testimony of Company Witness Lisa Budtke.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 MISCELLANEOUS GENERAL EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WPIA-3
 ADJUSTMENT NO. 21
 PAGE 2 OF 4

Line No.	(a) Account No.	(b) Description	(c) Amount
		<u>Board of Directors Fees</u>	
1	930200	Annualization of Board of Directors' Compensation	<u>\$ (673,429)</u>
		<u>Revolving Credit Facility Commitment Fees</u>	
2	930200	Revolving Credit Facility Commitment Fees	<u>\$ 571,211</u>
3		Total Miscellaneous General Expenses Adjustment	<u><u>\$ (102,218)</u></u>

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 MISCELLANEOUS GENERAL EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 21
 PAGE 3 OF 4

Annualization of Board of Directors' Compensation

Per Book:

	<u>Test Year</u>
5042-PURCHASE INVOICES	1,018,506.38
6101-PRE-TAX MISC ADJ	314,643.63
6238-RESTRICT STOCK ACCR	610,260.00
6247-NON-EMPLOYEE STK GRANT	8,019.28
Grand Total	<u>1,951,429.29 (A)</u>

	<u>Board of Directors' Compensation</u>
BOD Compensation	1,278,000 (B)
Per Book	<u>1,951,429</u>
Adjustment	<u>\$ (673,429)</u>

Note:

(A) Per Book amount reflects seven months of the prior Board of Directors' compensation, with the new compensation plan being effective beginning in August 2020.

(B) As a result of the acquisition of EPE by Sun Jupiter Holdings LLC on July 29, 2020, EPE has a new Board of Directors. The new Board of Directors also has a different level of compensation than that of the Company's previous Board of Directors when EPE was a publicly traded company. The new compensation amount to be included for the Company's current Board of Directors is \$1,278,000. EPE's current Board of Directors is comprised of ten Directors, but only seven Directors are compensated for their service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 MISCELLANEOUS GENERAL EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 21
 PAGE 4 OF 4

Revolving Credit Facility Commitment Fees

RCF balance	\$ 400,000,000
Highest level of borrowing for Nuclear Fuel during the base period	73,594,000
Balance available for working capital	<u>326,406,000</u>
Rate	0.00175
	<u><u>\$ 571,211</u></u>

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 INTEREST ON CUSTOMER DEPOSITS
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/A-3
 ADJUSTMENT NO. 22
 PAGE 1 OF 2

Line No.	(a) Description	(b) Amount
	<u>Interest on Customer Deposits</u> <u>FERC Acct. No. 431000</u>	
1	Expense Amount, As Adjusted (930200)	\$ 82,820 (A)
	Less:	
2	Amount Per Book	<u>0</u>
3	Adjustment	<u>\$ 82,820</u>

Note:
 (A)

	Active Deposits	Approved Rate	Adjusted Amount
New Mexico	\$ 1,399,918	0.36%	\$ 5,040
Texas	5,574,861	0.61%	34,007
FERC	<u>1,346,875</u>	3.25%	<u>43,773</u>
Total	<u>\$ 8,321,654</u>		<u>\$ 82,820</u>

Justification for requested adjustment:

This adjustment reclassifies interest on electric customer deposits from FERC 431000 - Other Interest Expense, a below-the-line account, to FERC 930.2 - Miscellaneous General Expense, an above-the-line account that is included as part of the cost of service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 INTEREST ON CUSTOMER DEPOSITS
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Account	Project	Amount
235001 - CUSTOMER DEPOSITS-ARC	CN700 - CUST SERV-NM EXP BLANKET	(\$1,399,918.24) a
235001 - CUSTOMER DEPOSITS-ARC	CT700 - CUST SERV-TX EXP BLANKET	(\$5,572,861.33) b
235001 - CUSTOMER DEPOSITS-ARC	DT700 - DISTRIB-TX-BUS SEG EXP	(\$2,000.00) b
235001 - CUSTOMER DEPOSITS-ARC	GM750 - GEN-MKTG-EPE MARKETING	(\$50,000.00) c
235001 - CUSTOMER DEPOSITS-ARC	TS750 - TRANS-SYS OPS-SALES	(\$1,296,875.00) c
	Total	<u>(\$8,321,654.57)</u>
NM Calculated Interest (0.36% * a)		(5,040)
Texas Calculated Interest (0.61% * Sum of b's)		(34,007)
FERC Calculated Interest (3.25% * Sum of c's)		<u>(43,773)</u>
		<u>\$ (82,820)</u>

Interest is calculated using annual interest rates listed on the NMPRC, PUCT and FERC websites.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 ADVERTISING EXPENSE
 SPONSOR: JENNIFER I. BORDEN
 PREPARED BY: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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(a)		(b)
Line No.	Description	Amount
	Advertising Expense FERC Account No. 909000 and 930100	
1	Expense Amount, As Adjusted	\$ 1,637,980
	Less:	
2	Amount Per Books	1,822,348
3	Adjustment	\$ (184,368)

Notes:

FERC Account	Per Book	Adjustment	As Adjusted
909000	\$ 129,206	\$ (10,532)	\$ 118,674
930100	1,693,142	(173,836)	1,519,306
	<u>\$ 1,822,348</u>	<u>\$ (184,368)</u>	<u>\$ 1,637,980</u>

Justification for requested adjustment:

Per book advertising expenses have been adjusted to only include expenses that are allowed as stated in 16 TAC § 25.231(b)(1)(E) and as shown on Schedule G-4.1.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 ADVERTISING EXPENSE
 SPONSOR: JENNIFER I. BORDEN
 PREPARED BY: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Line No	FERC Account	Category	Schedule No	Test Year Amount
1	909	Informational/Instructional	G-4.1a	\$ 118,674
2	930.1	Informational/Instructional	G-4 1a	1,490,870
3	913	Promote and Retain Usage	G-4.1b	0
4	930.1	General Advertising Expense	G-4.1c	28,436
5	N/A	Capitalized Advertising Expense	G-4 1d	0
6	Total Test Year Advertising Expense Subject to Limitation			<u>\$ 1,637,980</u>
				G-4

Amounts may not add or tie to other schedules due to rounding.

Copy

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 MEMBERSHIP DUES EXCLUDED FROM COST OF SERVICE
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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(a)		(b)
Line No.	Description	Amount
	Membership Dues FERC Account Nos. Various (See Page 2)	
1	Expense, As Adjusted	\$ 0
	Less:	
2	Amount Per Book	(94,836) (A)
3	Adjustment	<u>\$ 94,836</u>

Note:

(A) Includes membership dues only.

Justification for Requested Adjustment

To remove non-recoverable membership dues from the cost of service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 MEMBERSHIP DUES EXCLUDED FROM COST OF SERVICE
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Line No.	(a) Description	(b)	(c) Amount
	<u>Membership Dues Excluded (A)</u>		
1	TEXAS BUSINESS LEADERSHIP COUNCIL	921	\$ 12,000
2	UTILITIES TECHNOLOGY COUNCIL	921	9,718
3	TEXAS TAXPAYERS & RESEARCH ASSOCIATION	921	5,500
4	NEW MEXICO UTILITY SHAREHOLDERS ALLIANCE	930.2	5,000
5	GREATER EL PASO CHAMBER OF COMMERCE	930.2	3,355
6	PROGRESS321	930.2	3,000
7	EL PASO CLUB	921	2,305
8	GREATER LAS CRUCES CHAMBER OF COMMERCE	930.2	1,777
9	TEXAS ETHICS COMMISSION	921	767
10	GULF COAST POWER ASSOCIATION	921	225
11	PEAK RELIABILITY	566	(138,483)
12	Total Exclusions		<u>\$ (94,836)</u>

Note:

(A) Dues excluded from Accounts 921, 930.2, and 566.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 MEMBERSHIP DUES EXCLUDED FROM COST OF SERVICE
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 WORKPAPER G-4.3: SUMMARY OF EXCLUSIONS TO MEMBERSHIP DUES EXPENSE
 SPONSOR: CYNTHIA S. PRIETO
 PREPARER: ALEJANDRA GUEVARA
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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COPY

Line No	FERC Account	Category	Schedule No.	Excluded from Cost of Service
1	921	GULF COAST POWER ASSOCIATION	G-4.3a	\$ 225
2	930 2	NEW MEXICO UTILITY SHAREHOLDERS ALLIANCE	G-4.3a	5,000
3	566	PEAK RELIABILITY	G-4.3a	(138,483)
4	930 2	GREATER EL PASO CHAMBER OF COMMERCE	G-4.3b	3,355
5	930 2	GREATER LAS CRUCES CHAMBER OF COMMERCE	G-4.3b	1,777
6	426.4	BARTON CREEK MEMBERSHIP	G-4.3d	10,358
7	921	EL PASO CLUB	G-4.3d	2,305
8	930.2	PROGRESS321	G-4.3d	3,000
9	426 4	THE AUSTIN CLUB	G-4.3d	1,952
10	426 4	ARIZONA TAX RESEARCH ASSOCIATION	G-4.3e	16,173
11	426.4	OFFICE OF THE NEW MEXICO SECRETARY OF STATE	G-4.3e	52
12	921	TEXAS BUSINESS LEADERSHIP COUNCIL	G-4.3e	12,000
13	426.4	TEXAS ETHICS COMMISSION	G-4.3e	767
14	921	TEXAS ETHICS COMMISSION	G-4.3e	767
15	921	TEXAS TAXPAYERS & RESEARCH ASSOCIATION	G-4.3e	5,500
16	921	UTILITIES TECHNOLOGY COUNCIL	G-4.3e	9,718
17		Total Exclusions to Membership Dues Expense		<u>\$ (65,534)</u>

Amounts may not add or tie to other schedules due to rounding.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 NON RECOVERABLE LOBBYING EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: MELODY BOISSELIER
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Line No.	(a) Description	(b) Amount
	Non Recoverable Lobbying Charges	
	<u>FERC Account Nos. 920000, 921000, 926000 and 408100</u>	
1	Expense, As Adjusted	\$ 0
	Less:	
2	Payroll (920)	\$ 8,619 (A)
3	Benefits (926)	2,138 (B)
4	Payroll Taxes (4081)	579 (C)
5	Expenses (921)	<u>344 (D)</u>
6	Lobbying Payroll, Taxes and Other Included in Test Year Costs	<u>\$ 11,680</u>
7	Adjustment	<u>\$ (11,680)</u>

Notes:

- (A) Please refer to Confidential Schedule G-5.1.
- (B) Calculation based on Line 4 * 24.80% benefit rate.
- (C) Calculation based on Line 4 * 6.72% tax rate.
- (D) Miscellaneous lobbying charges expensed to Account 921000.

Justification for Requested Adjustment

To remove lobbying costs included in test year costs.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 RECOVERABLE ADVERTISING & CONTRIBUTION EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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(a)		(b)
Line No.	Description	Amount
	Recoverable Advertising, Contributions and Donations Adjustment to FERC Account No. 930200	
1	Expense as calculated under 16 TAC § 25.231 (b)(1)(E)	\$ 2,903,818 (A)
	Less:	
2	Advertising Expense	1,637,980
3	Revenue Requirement Adjustment	<u>5,118</u>
4	Adjustment	<u>\$ 1,260,720</u>

Note:

- (A) The allowable amount as calculated on Schedule G-4 is lower than the Company's advertising and contributions and donations for the test year. Company is requesting the allowable amount by the rule.

Justification for Requested Adjustment

To include advertising, contributions and donations costs up to the allowable amount to be recovered as calculated pursuant to 16 TAC § 25.231 (b)(1)(E).
 See COPY of Schedule G-4 on page 2.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 OPERATION AND MAINTENANCE EXPENSE
 RECOVERABLE ADVERTISING, CONTRIBUTION AND
 DONATION EXPENSES
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: DENISE PEREZ
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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EL PASO ELECTRIC COMPANY					SCHEDULE G-4
2021 TEXAS RATE CASE FILING					PAGE 1 OF 1
SCHEDULE G-4: SUMMARY OF ADVERTISING, CONTRIBUTIONS & DONATIONS					
SPONSOR: JENNIFER I. BORDEN/CYNTHIA S. PRIETO					
PREPARER: DENISE PEREZ					
FOR THE TEST YEAR ENDED DECEMBER 31, 2020					
Line No	FERC Account (A)	Category	Schedule No.	Test Year Amount	Other Reference
1	Advertising		G-4.1	\$ 1,637,980	
2	Contributions/Donations		G-4.2	<u>1,312,437</u>	
3	Total Test Year Expenses Subject to 0.3% Limitation			<u>\$ 2,950,417</u>	
<u>TEST PURSUANT TO 16 TAC § 25.231 (b)(1)(E).</u>					
ADVERTISING, CONTRIBUTION & DONATION LIMITATION					
4	Applicable Test Year Revenues			\$ 967,939,397	
5	% Limitation		x	<u>0.003</u>	
6	Dollar Limitation		a) \$	2,903,818	
7	Total Test Year Advertising Expense, above		b)	<u>1,637,980</u>	
8	Allowable amount of Contributions and Donations			1,265,838	
9	Revenue Requirement Adjustment			<u>(5,118)</u>	
10	Contributions and Donations included in Cost of Service			<u>\$ 1,260,720</u>	(B)

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EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
SCHEDULE A-3 ADJUSTMENTS TO TEST YEAR
SPONSOR JENNIFER I BORDEN
PREPARER ALEJANDRA MONTALVO
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
				AJ 1	AJ 2	AJ 3	AJ 4	AJ 5	AJ 6	AJ 7	AJ 8	AJ 9	AJ 10	AJ 11	AJ 12	AJ 13	AJ 14	AJ 15
Line No	FERC Acct	Description	Test Year Actual	Revenues & Uncollectibles	Fuel and PP	Salaries and Wages	Pension and Benefits	Decommissioning	Palo Verde O&M Expense	COVID-19 Related Costs	Outside Services	Property Insurance	Injuries and Damages	Reg Asset Amortization	Rate Case and Other Reg Com Exp	Miscellaneous Generation OM	Depreciation Expense	Property Taxes
		Steam Power Generation Expense																
		Operations Expense																
1	411800	Gains from Disposition of Allowances	-	-	-	(11,707)	-	-	-	-	-	-	-	-	-	-	-	-
2	500000	Operation Supervision & Engineering	2,372,241	-	-	(11,707)	-	-	-	-	-	-	-	-	-	-	-	-
3	501000	Fuel	59,457,767	-	(1,927,306)	-	-	-	-	-	-	-	-	-	-	-	-	-
4	502000	Steam Expenses	3,081,878	-	-	(12,275)	-	-	-	-	-	-	-	-	-	-	-	-
5	505000	Electric Expenses	4,939,480	-	-	(5,583)	-	-	-	-	-	-	-	-	-	-	-	-
6	506000	Miscellaneous Steam Power Expenses	3,858,680	-	-	(5,116)	-	-	-	(82,700)	-	-	-	-	-	-	-	-
7	507000	Rents	655,198	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	509000	Allowances	27,551	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9		Total Operations Expense	74,392,584	-	(1,927,306)	(34,681)	-	-	-	(82,700)	-	-	-	-	-	-	-	-
		Maintenance Expense																
10	510000	Maintenance Supervision & Engineering	2,303,648	-	-	(11,360)	-	-	-	-	-	-	-	-	-	-	-	-
11	511000	Maintenance of Structures	1,119,903	-	-	(1,798)	-	-	-	-	-	-	-	-	-	-	-	-
12	512000	Maintenance of Boiler Plant	8,798,466	-	-	(7,458)	-	-	-	-	-	-	-	-	-	(109)	-	-
13	513000	Maintenance of Electric Plant	14,374,352	-	-	(9,992)	-	-	-	-	-	-	-	-	-	(47,694)	-	-
14	514000	Maintenance of Miscellaneous Steam Plant	2,415,254	-	-	(1,844)	-	-	-	-	-	-	-	-	-	(333)	-	-
15		Total Maintenance Expense	26,011,623	-	-	(32,452)	-	-	-	-	-	-	-	-	-	(48,137)	-	-
16		Total Steam Power Generation Expense	103,404,217	-	(1,927,306)	(67,133)	-	-	-	(82,700)	-	-	-	-	-	(48,137)	-	-
		Nuclear Power Generation Expense																
		Operations Expense																
17	517000	Operation Supervision & Engineering	11,982,723	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	518000	Nuclear Fuel Expense	41,258,546	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	519000	Coolants & Water	7,586,858	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	520000	Steam Expenses	4,895,908	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	523000	Electric Expenses	6,268,555	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	524000	Miscellaneous Nuclear Power Expenses	42,735,916	-	-	(942)	-	-	(222,999)	(1,546,840)	-	-	-	-	-	-	-	-
23	525000	Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24		Total Operations Expense	114,728,505	-	-	(942)	-	-	(222,999)	(1,546,840)	-	-	-	-	-	-	-	-
		Maintenance Expense																
25	528000	Maintenance Supervision & Engineering	2,441,613	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	529000	Maintenance of Structures	1,276,999	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	530000	Maintenance of Reactor Plant Equipment	6,513,634	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	531000	Maintenance of Electric Plant	5,909,822	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	532000	Maintenance of Miscellaneous Nuclear Plant	1,807,475	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30		Total Maintenance Expense	17,949,543	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31		Total Nuclear Power Generation Expense	132,678,048	-	-	(942)	-	-	(222,999)	(1,546,840)	-	-	-	-	-	-	-	-
		Other Power Generation Expenses																
		Operations Expense																
32	546000	Operation Supervision & Engineering	1,104,306	-	-	(5,025)	-	-	-	-	-	-	-	-	-	-	-	-
33	547000	Fuel	18,814,840	-	(620,399)	-	-	-	-	-	-	-	-	-	-	-	-	-
34	548000	Generation Expenses	915,904	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	549000	Misc Other Power Generation Expenses	824,017	-	-	(3,547)	-	-	-	(36,076)	-	-	-	-	-	-	-	-
36	550000	Rents	190,939	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37		Total Operations Expense	21,850,005	-	(620,399)	(8,572)	-	-	-	(36,076)	-	-	-	-	-	-	-	-
		Maintenance Expense																
38	551000	Maintenance Supervision & Engineering	214,435	-	-	(928)	-	-	-	-	-	-	-	-	-	-	-	-
39	552000	Maintenance of Structures	259,018	-	-	(1,338)	-	-	-	-	-	-	-	-	-	-	-	-
40	553000	Maintenance of Generating & Electric Plant	6,957,257	-	-	(8,340)	-	-	-	-	-	-	-	-	-	-	-	-
41	554000	Maintenance of Miscellaneous Other Power	998,300	-	-	(688)	-	-	-	-	-	-	-	-	-	-	-	-
42		Total Maintenance Expense	8,428,009	-	-	(8,272)	-	-	-	-	-	-	-	-	-	-	-	-
43		Total Other Power Generation Expense	30,278,015	-	(620,399)	(16,844)	-	-	-	(36,076)	-	-	-	-	-	-	-	-
		Other Power Supply Expense																
44	555000	Purchased Power	82,237,860	-	169,988	-	-	-	-	-	-	-	-	-	-	-	-	-
45	556000	System Control & Load Dispatching	13,476	-	-	-	-	-	-	(2,935)	-	-	-	-	-	-	-	-
46	556000	P-V-System Control & Load Dispatching	944,560	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47	557000	Other Expenses	378,842	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48		Total Other Power Supply Expense	83,574,558	-	169,988	-	-	-	-	(2,935)	-	-	-	-	-	-	-	-
49		Total Power Production Expense	349,934,838	-	(2,377,717)	(84,919)	-	-	(222,999)	(1,688,551)	-	-	-	-	-	(48,137)	-	-
		Transmission Expense																
		Operations Expense																
50	560000	Operation Supervision & Engineering	2,169,209	-	-	(11,282)	-	-	-	-	-	-	-	-	-	-	-	-
51	561000	Load Dispatch - Trans	3,483,963	-	-	(15,695)	-	-	-	-	-	-	-	-	-	-	-	-
52	562000	Station Expenses	137,496	-	-	(172)	-	-	-	-	-	-	-	-	-	-	-	-
53	563000	Overhead Line Expenses	240,539	-	-	(609)	-	-	-	-	-	-	-	-	-	-	-	-
54	565000	Transmission of Electricity by Others	6,728,666	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	565000	Miscellaneous Transmission Expenses	8,942,379	-	-	(22,157)	-	-	-	(9,596)	-	-	-	-	-	-	-	-

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
SCHEDULE A-3 ADJUSTMENTS TO TEST YEAR
SPONSOR JENNIFER I BORDEN
PREPARER ALEJANDRA MONTALVO
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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Line No	FERC Acct	(a) Description	(s) AJ 16	(t) AJ 17	(u) State Income Taxes AZ and NM	(v) State Income Taxes Texas	(w) Federal Income Taxes	(x) Misc General Expenses	(y) Interest on Customer Deposit	(z) Advertising	(aa) Membership Dues Excluded	(ab) Lobbying	(ac) Advertising and Contribution	(bk) Total Adjustments	(bl) Adjusted Balance	(bm) To Reflect Rate Relief	(bn) Requested Balance
		<u>Steam Power Generation Expense</u>															
		<u>Operations Expense</u>															
1	411800	Gains from Disposition of Allowances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	500000	Operation Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	(11,707)	2,360,534	-	2,360,534
3	501000	Fuel	-	-	-	-	-	-	-	-	-	-	-	(1,927,306)	57,530,480	-	57,530,480
4	502000	Steam Expenses	-	-	-	-	-	-	-	-	-	-	-	(12,275)	3,069,403	-	3,069,403
5	505000	Electric Expenses	-	-	-	-	-	-	-	-	-	-	-	(5,583)	4,933,897	-	4,933,897
6	506000	Miscellaneous Steam Power Expenses	-	-	-	-	-	-	-	-	-	-	-	(87,816)	3,770,864	-	3,770,864
7	507000	Rents	-	-	-	-	-	-	-	-	-	-	-	-	855,198	-	855,198
8	509000	Allowances	-	-	-	-	-	-	-	-	-	-	-	-	27,551	-	27,551
9		Total Operations Expense	-	-	-	-	-	-	-	-	-	-	-	(2,044,687)	72,347,907	-	72,347,907
		<u>Maintenance Expense</u>															
10	510000	Maintenance Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	(11,360)	2,292,288	-	2,292,288
11	511000	Maintenance of Structures	-	-	-	-	-	-	-	-	-	-	-	(1,798)	1,118,105	-	1,118,105
12	512000	Maintenance of Boiler Plant	-	-	-	-	-	-	-	-	-	-	-	(7,567)	8,790,899	-	8,790,899
13	513000	Maintenance of Electric Plant	-	-	-	-	-	-	-	-	-	-	-	(57,666)	14,316,666	-	14,316,666
14	514000	Maintenance of Miscellaneous Steam Plant	-	-	-	-	-	-	-	-	-	-	-	(2,177)	2,413,076	-	2,413,076
15		Total Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	(80,589)	28,931,034	-	28,931,034
16		Total Steam Power Generation Expense	-	-	-	-	-	-	-	-	-	-	-	(2,125,276)	101,278,941	-	101,278,941
		<u>Nuclear Power Generation Expense</u>															
		<u>Operations Expense</u>															
17	517000	Operation Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	-	11,982,723	-	11,982,723
18	518000	Nuclear Fuel Expense	-	-	-	-	-	-	-	-	-	-	-	-	41,258,546	-	41,258,546
19	519000	Coolants & Water	-	-	-	-	-	-	-	-	-	-	-	-	7,586,858	-	7,586,858
20	520000	Steam Expenses	-	-	-	-	-	-	-	-	-	-	-	-	4,895,908	-	4,895,908
21	523000	Electric Expenses	-	-	-	-	-	-	-	-	-	-	-	-	6,268,555	-	6,268,555
22	524000	Miscellaneous Nuclear Power Expenses	-	-	-	-	-	-	-	-	-	-	-	(1,770,781)	40,965,135	-	40,965,135
23	525000	Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24		Total Operations Expense	-	-	-	-	-	-	-	-	-	-	-	(1,770,781)	112,957,724	-	112,957,724
		<u>Maintenance Expense</u>															
25	528000	Maintenance Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	-	2,441,613	-	2,441,613
26	529000	Maintenance of Structures	-	-	-	-	-	-	-	-	-	-	-	-	1,276,996	-	1,276,996
27	530000	Maintenance of Reactor Plant Equipment	-	-	-	-	-	-	-	-	-	-	-	-	6,513,634	-	6,513,634
28	531000	Maintenance of Electric Plant	-	-	-	-	-	-	-	-	-	-	-	-	5,909,822	-	5,909,822
29	532000	Maintenance of Miscellaneous Nuclear Plant	-	-	-	-	-	-	-	-	-	-	-	-	1,807,475	-	1,807,475
30		Total Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-	17,949,543	-	17,949,543
31		Total Nuclear Power Generation Expense	-	-	-	-	-	-	-	-	-	-	-	(1,770,781)	130,907,267	-	130,907,267
		<u>Other Power Generation Expenses</u>															
		<u>Operations Expense</u>															
32	546000	Operation Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	(5,025)	1,099,281	-	1,099,281
33	547000	Fuel	-	-	-	-	-	-	-	-	-	-	-	(820,399)	18,194,441	-	18,194,441
34	548000	Generation Expenses	-	-	-	-	-	-	-	-	-	-	-	-	915,904	-	915,904
35	549000	Misc Other Power Generation Expenses	-	-	-	-	-	-	-	-	-	-	-	(39,623)	784,394	-	784,394
36	550000	Rents	-	-	-	-	-	-	-	-	-	-	-	-	190,939	-	190,939
37		Total Operations Expense	-	-	-	-	-	-	-	-	-	-	-	(665,047)	21,184,959	-	21,184,959
		<u>Maintenance Expense</u>															
38	551000	Maintenance Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	(926)	213,509	-	213,509
39	552000	Maintenance of Structures	-	-	-	-	-	-	-	-	-	-	-	(338)	257,680	-	257,680
40	553000	Maintenance of Generating & Electric Plant	-	-	-	-	-	-	-	-	-	-	-	(6,340)	6,950,917	-	6,950,917
41	554000	Maintenance of Miscellaneous Other Power	-	-	-	-	-	-	-	-	-	-	-	(658)	997,632	-	997,632
42		Total Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	(8,272)	8,419,737	-	8,419,737
43		Total Other Power Generation Expense	-	-	-	-	-	-	-	-	-	-	-	(673,319)	29,604,596	-	29,604,596
		<u>Other Power Supply Expense</u>															
44	555000	Purchased Power	-	-	-	-	-	-	-	-	-	-	-	169,988	82,407,848	-	82,407,848
45	556000	System Control & Load Dispatching	-	-	-	-	-	-	-	-	-	-	-	(2,935)	10,541	-	10,541
46	556000	PV-System Control & Load Dispatching	-	-	-	-	-	-	-	-	-	-	-	-	944,580	-	944,580
47	557000	Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	378,642	-	378,642
48		Total Other Power Supply Expense	-	-	-	-	-	-	-	-	-	-	-	167,053	83,741,612	-	83,741,612
49		Total Power Production Expense	-	-	-	-	-	-	-	-	-	-	-	(4,402,323)	345,532,516	-	345,532,516
		<u>Transmission Expense</u>															
		<u>Operations Expense</u>															
50	560000	Operation Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	(11,282)	2,157,927	-	2,157,927
51	561000	Load Dispatch - Trans	-	-	-	-	-	-	-	-	-	-	-	(15,895)	3,468,268	-	3,468,268
52	562000	Station Expenses	-	-	-	-	-	-	-	-	-	-	-	(172)	137,324	-	137,324
53	563000	Overhead Line Expenses	-	-	-	-	-	-	-	-	-	-	-	(809)	239,730	-	239,730
54	565000	Transmission of Electricity by Others	-	-	-	-	-	-	-	-	-	-	-	-	8,728,668	-	8,728,668
55	566000	Miscellaneous Transmission Expenses	-	-	-	-	-	-	-	-	138,483	-	-	106,728	9,049,107	-	9,049,107

REVISED - ERRATA NO. 1

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
SCHEDULE A-3 ADJUSTMENTS TO TEST YEAR
SPONSOR JENNIFER I BORDEN
PREPARER ALEJANDRA MONTALVO
FOR THE TEST YEAR ENDED DECEMBER 31 2020

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Line		FERC	Test Year	Revenues &	Fuel and PP	Salaries and	Pension and	Decommissioning	Pa'o Verde	COVID-19	Outside	Property	Injuries and	Reg Asset	Rate Case and	Miscellaneous	Depreciation	
No		Acct	Actual	Uncollectibles		Wages	Benefits		O&M Expense	Related Costs	Services	Insurance	Damages	Amortization	Other Reg Com	Generation OM	Expense	Property Taxes
56		567000	117,943	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57		Total Operations Expense	21,820,194	-	-	(50,115)	-	-	-	(9,598)	-	-	-	-	-	-	-	-

EL PASO ELECTRIC COMPANY
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(a)		(b)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	(ac)	(bk)	(bl)	(bm)	(bn)
			AJ 16	AJ 17	AJ 18	AJ 19	AJ 20	AJ 21	AJ 22	AJ 23	AJ 24	AJ 25	AJ 26				
Line	FERC	Description	Payroll Taxes	Revenue Related Taxes	State Income Taxes AZ and NM	State Income Taxes Texas	Federal Income Taxes	Misc General Expenses	Interest on Customer Deposit	Advertising	Membership Dues Excluded	Lobbying	Advertising and Contribution	Total Adjustments	Adjusted Balance	To Reflect Rate Relief	Requested Balance
No	Acct																
56	567000	Rents	-	-	-	-	-	-	-	-	-	-	-	-	117,943	-	117,943
57		Total Operations Expense	-	-	-	-	-	-	-	-	138,483	-	-	78,770	21,898,964	-	21,898,964

EL PASO ELECTRIC COMPANY
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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
	FERC		Test Year	Revenues &	Fuel and PP	Salaries and	Pension and	Decommissioning	Paio Verde	COVID-19	Outside	Property	Injuries and	Reg Asset	Rate Case and	Miscellaneous	Depreciation	
Line	Acct	Description	Actual	Uncollectibles		Wages	Benefits		O&M Expense	Related Costs	Services	Insurance	Damages	Amortization	Other Reg Com	Generation OM	Expense	Property Taxes
58	589000	Maintenance Supervision & Engineering	15,516	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
59	589000	Maintenance of Structures	(1,705)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60	589100	Maintenance of Computer Hardware	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	589200	Maintenance of Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
62	589300	Maintenance of Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
63	589400	Maintenance of Misc Regional Trans Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
64	570000	Maintenance of Station Equipment	317,863	-	-	(4)	-	-	-	-	-	-	-	-	-	-	-	-
65	571000	Maintenance of Overhead Lines	1,525,242	-	-	(3,616)	-	-	-	-	-	-	-	-	-	-	-	-
66	573000	Maintenance of Misc Transmission Plant	39,726	-	-	(40)	-	-	-	-	-	-	-	-	-	-	-	-
67		Total Maintenance Expense	1,895,642	-	-	(3,660)	-	-	-	-	-	-	-	-	-	-	-	-
68		Total Transmission Expense	23,718,636	-	-	(53,775)	-	-	-	(9,598)	-	-	-	-	-	-	-	-
		<u>Distribution Expense</u>																
69	580000	Operation Supervision & Engineering	1,108,166	-	-	(4,962)	-	-	-	-	-	-	-	-	-	-	-	-
70	581000	Load Dispatching	-	-	-	(6)	-	-	-	-	-	-	-	-	-	-	-	-
71	582000	Station Expenses	1,434,275	-	-	(4,231)	-	-	-	-	-	-	-	-	-	-	-	-
72	583000	Overhead Line Expenses	893,552	-	-	(3,485)	-	-	-	-	-	-	-	-	-	-	-	-
73	584000	Underground Line Expenses	837,960	-	-	(224)	-	-	-	-	-	-	-	-	-	-	-	-
74	585000	Street Lighting & Signal System Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75	586000	Meter Expenses	2,124,902	-	-	(8,948)	-	-	-	(1,885)	-	-	-	-	-	-	-	-
76	587000	Customer Installations Expenses	547,317	-	-	(2,438)	-	-	-	-	-	-	-	-	-	-	-	-
77	588000	Miscellaneous Distribution Expenses	8,740,320	-	-	(26,489)	-	-	-	(77,018)	-	-	-	-	-	-	-	-
78	589000	Rents	341,134	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
79		Total Operations Expense	16,027,626	-	-	(50,777)	-	-	-	(78,903)	-	-	-	-	-	-	-	-
		<u>Maintenance Expense</u>																
80	590000	Maintenance Supervision & Engineering	53,873	-	-	(254)	-	-	-	-	-	-	-	-	-	-	-	-
81	591000	Maintenance of Structures	4,028	-	-	(6)	-	-	-	-	-	-	-	-	-	-	-	-
82	592000	Maintenance of Station Equipment	1,879,189	-	-	(6,343)	-	-	-	-	-	-	-	-	-	-	-	-
83	593000	Maintenance of Overhead Lines	6,349,721	-	-	(11,426)	-	-	-	-	-	-	-	-	-	-	-	-
84	594000	Maintenance of Underground Lines	874,337	-	-	(1,975)	-	-	-	-	-	-	-	-	-	-	-	-
85	595000	Maintenance of Line Transformers	8,671	-	-	(8)	-	-	-	-	-	-	-	-	-	-	-	-
86	596000	Maint. of Street Lighting & Signal System	288,197	-	-	(883)	-	-	-	-	-	-	-	-	-	-	-	-
87	597000	Maintenance of Meters	233,144	-	-	(998)	-	-	-	-	-	-	-	-	-	-	-	-
88	598000	Maintenance of Misc Distribution Plant	653,027	-	-	(233)	-	-	-	-	-	-	-	-	-	-	-	-
89		Total Maintenance Expense	10,354,188	-	-	(22,128)	-	-	-	-	-	-	-	-	-	-	-	-
90		Total Distribution Expense	26,381,814	-	-	(72,603)	-	-	-	(78,903)	-	-	-	-	-	-	-	-
		<u>Customer Accounts Expense</u>																
91	901000	Supervision	1,422	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
92	902000	Meter Reading Expenses	2,501,155	-	-	(9,108)	-	-	-	-	-	-	-	-	-	-	-	-
93	903000	Customer Records & Collection Expenses	14,568,301	-	-	(34,513)	-	-	-	(131,276)	-	-	-	-	-	-	-	-
94	904000	Uncollectible Accounts	2,849,256	(10,943)	-	-	-	-	-	(803,227)	-	-	-	-	-	-	-	-
95	905000	Misc Customer Accounts Expenses	109,810	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96		Total Customer Accounts Expense	20,027,745	(10,943)	-	(43,621)	-	-	-	(934,503)	-	-	-	-	-	-	-	-
		<u>Customer Svcs & Info Expense</u>																
97	908000	Customer Assistance Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
98	909000	Infor & Instr Advertising Expenses	129,205	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
99		Total Customer Svcs & Info Expense	129,205	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	912000	Demonstrating & Selling Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		<u>Administrative & General Expense</u>																
		<u>Operation</u>																
101	920000	Administrative & General Salaries	31,938,839	-	-	(166,333)	-	-	-	-	-	-	-	-	-	-	-	-
102	921000	Office Supplies & Expenses	5,473,363	-	-	-	-	-	-	(632,746)	-	-	-	-	-	-	-	-
103	923000	Outside Services Employed	15,919,522	-	-	-	-	-	-	(118,966)	103,444	-	-	-	-	(30,515)	-	-
104	924000	Property Insurance	4,852,276	-	-	-	-	-	-	-	-	477,475	-	-	-	-	-	-
105	924000	Property Insurance - PV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
106	925000	Injuries & Damages	3,644,212	-	-	-	-	-	-	-	-	-	(324,935)	-	-	-	-	-
107	925000	Injuries & Damages - PV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
108	926000	Employee Pensions & Benefits	18,332,362	-	-	-	(6,782,701)	-	-	(544,458)	-	-	-	-	-	-	-	-
109	926000	Employee Pensions & Benefits - PV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	928000	Regulatory Commission Expenses	13,218,764	-	-	-	-	-	-	-	-	-	-	-	(603,441)	-	-	-
111	928000	Regulatory Commission Expenses - PV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
112	930100	General Advertising Expenses	1,693,142	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
113	930200	Miscellaneous General Expenses	3,015,826	-	-	-	-	-	-	-	(72,804)	-	-	-	-	-	(13,132)	-
114	930200	Miscellaneous General Expenses - PV	427,468	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
115	931000	Rents	406,234	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
116		Total Operation	98,919,607	-	-	(166,333)	(6,782,701)	-	-	(1296,168)	30,640	477,475	(324,935)	-	(603,441)	(43,647)	-	-
117	935000	Maintenance of General Plant	9,520,823	-	-	(1,143)	-	-	-	-	-	-	-	-	-	-	-	-

EL PASO ELECTRIC COMPANY
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SCHEDULE A-3 ADJUSTMENTS TO TEST YEAR
SPONSOR JENNIFER I BORDEN
PREPARER ALEJANDRA MONTALVO
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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	AJ 18	AJ 17	AJ 18	AJ 19	AJ 20	AJ 21	AJ 22	AJ 23	AJ 24	AJ 25	AJ 26	AJ 26	AJ 26	AJ 26	AJ 26	AJ 26	AJ 26
Line	FERC	Description	Payroll Taxes	Revenue Related Taxes	State Income Taxes AZ and NM	State Income Taxes Texas	Federal Income Taxes	Mac General Expenses	Interest on Customer Deposit	Advertising	Membership Dues Excluded	Lobbying	Advertising and Contribution	Total Adjustments	Adjusted Balance	To Reflect Rate Relief	Requested Balance
58	588000	Maintenance Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	-	15,516	-	15,516
59	589000	Maintenance of Structures	-	-	-	-	-	-	-	-	-	-	-	-	(1,705)	-	(1,705)
60	589100	Maintenance of Computer Hardware	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
61	589200	Maintenance of Computer Software	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
62	589300	Maintenance of Communication Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
63	589400	Maintenance of Misc Regional Trans Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
64	570000	Maintenance of Station Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65	571000	Maintenance of Overhead Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
66	573000	Maintenance of Misc Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
67		Total Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-	(3,560)	-	1,892,982
68		Total Transmission Expense	-	-	-	-	-	-	-	-	-	-	-	-	75,110	-	23,791,946
		Distribution Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Operations Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	580000	Operation Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	-	(4,962)	-	1,103,204
70	581000	Load Dispatching	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
71	582000	Station Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(4,231)	-	1,430,044
72	583000	Overhead Line Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(3,485)	-	890,087
73	584000	Underground Line Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(224)	-	837,736
74	585000	Street Lighting & Signal System Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75	586000	Meter Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(10,833)	-	2,114,069
76	587000	Customer Installations Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(2,438)	-	544,879
77	588000	Miscellaneous Distribution Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(103,507)	-	8,636,813
78	589000	Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	341,134
79		Total Operations Expense	-	-	-	-	-	-	-	-	-	-	-	-	(129,680)	-	15,897,946
		Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
80	590000	Maintenance Supervision & Engineering	-	-	-	-	-	-	-	-	-	-	-	-	(254)	-	53,619
81	591000	Maintenance of Structures	-	-	-	-	-	-	-	-	-	-	-	-	(6)	-	4,022
82	592000	Maintenance of Station Equipment	-	-	-	-	-	-	-	-	-	-	-	-	(8,343)	-	1,872,846
83	593000	Maintenance of Overhead Lines	-	-	-	-	-	-	-	-	-	-	-	-	(11,426)	-	6,338,295
84	594000	Maintenance of Underground Lines	-	-	-	-	-	-	-	-	-	-	-	-	(1,975)	-	872,362
85	595000	Maintenance of Line Transformers	-	-	-	-	-	-	-	-	-	-	-	-	(8)	-	8,663
86	596000	Maint of Street Lighting & Signal System	-	-	-	-	-	-	-	-	-	-	-	-	(883)	-	287,314
87	597000	Maintenance of Meters	-	-	-	-	-	-	-	-	-	-	-	-	(998)	-	232,146
88	598000	Maintenance of Misc Distribution Plant	-	-	-	-	-	-	-	-	-	-	-	-	(233)	-	662,794
89		Total Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-	(22,126)	-	10,332,062
90		Total Distribution Expense	-	-	-	-	-	-	-	-	-	-	-	-	(151,806)	-	26,230,008
		Customer Accounts Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
91	901000	Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,422
92	902000	Meter Reading Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(9,108)	-	2,492,047
93	903000	Customer Records & Collection Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(185,789)	-	14,400,512
94	904000	Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-	-	-	(814,170)	-	2,229,476
95	905000	Misc Customer Accounts Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	108,610
96		Total Customer Accounts Expense	-	-	-	-	-	-	-	-	-	-	-	-	(989,067)	-	19,038,677
		Customer Svcs. & Info. Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97	908000	Customer Assistance Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
98	909000	Info & Instr. Advertising Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(645)	-	128,560
99		Total Customer Svcs. & Info. Expense	-	-	-	-	-	-	-	-	-	-	-	-	(645)	-	128,560
100	912000	Demonstrating & Selling Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Administrative & General Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
101	920000	Administrative & General Salaries	-	-	-	-	-	-	-	-	-	-	-	-	(8,619)	-	31,764,687
102	921000	Office Supplies & Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(344)	-	4,779,243
103	923000	Outside Services Employed	-	-	-	-	-	-	-	-	-	-	-	-	(864,120)	-	4,779,243
104	924000	Property Insurance	-	-	-	-	-	-	-	-	-	-	-	-	(15,522)	-	15,901,000
105	924000	Property Insurance - PV	-	-	-	-	-	-	-	-	-	-	-	-	477,475	-	5,329,751
106	925000	Injuries & Damages	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
107	925000	Injuries & Damages - PV	-	-	-	-	-	-	-	-	-	-	-	-	(324,935)	-	3,319,277
108	926000	Employee Pensions & Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
109	926000	Employee Pensions & Benefits - PV	-	-	-	-	-	-	-	-	-	-	-	-	(2,138)	-	11,003,067
110	928000	Regulatory Commission Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
111	928000	Regulatory Commission Expenses - PV	-	-	-	-	-	-	-	-	-	-	-	-	(603,441)	-	12,615,323
112	930100	General Advertising Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(155,311)	-	1,537,831
113	930200	Miscellaneous General Expenses	-	-	-	-	-	-	-	-	-	-	-	-	(13,132)	-	4,158,080
114	930200	Miscellaneous General Expenses - PV	-	-	-	-	-	-	-	-	-	-	-	-	1,260,720	-	4,158,080
115	931000	Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	427,468
116		Total Operation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	406,234
117	935000	Maintenance of General Plant	-	-	-	-	-	-	-	-	-	-	-	-	(102,218)	-	91,241,960
			-	-	-	-	-	-	-	-	-	-	-	-	(1,143)	-	9,519,680

REVISED - ERRATA NO 1

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 SCHEDULE A-3 ADJUSTMENTS TO TEST YEAR
 SPONSOR JENNIFER I BORDEN
 PREPARER ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
				AJ 1	AJ 2	AJ 3	AJ 4	AJ 5	AJ 6	AJ 7	AJ 8	AJ 9	AJ 10	AJ 11	AJ 12	AJ 13	AJ 14	AJ 15
Line No	FERC Acct	Description	Test Year Actual	Revenues & Uncollectibles	Fuel and PP	Salaries and Wages	Pension and Benefits	Decommissioning	Pa'o Verde O&M Expense	COVID-19 Related Costs	Outside Services	Property Insurance	Injuries and Damages	Reg Asset Amortization	Rate Case and Other Reg Com Exp	Miscellaneous Generation C/M	Depreciation Expense	Property Taxes
118		Total Administrative & General Expense	108,440,530	-	-	(167,476)	(6,782,701)	-	-	(1,295,168)	30,640	477,475	(324,835)	-	(603,441)	(43,647)	-	-
119		Total Operation & Maintenance Expense	528,631,068	(10,943)	(2,377,717)	(422,694)	(6,782,701)	-	(222,999)	(3,987,723)	30,640	477,475	(324,835)	-	(603,441)	(91,784)	-	-

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 SCHEDULE A-3 ADJUSTMENTS TO TEST YEAR
 SPONSOR JENNIFER I BORDEN
 PREPARER ALEJANDRA MONTALVO
 FOR THE TEST YEAR ENDED DECEMBER 31 2020

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	(a)	(b)	(s) AJ 16	(t) AJ 17	(u) AJ 18	(v) AJ 19	(w) AJ 20	(x) AJ 21	(y) AJ 22	(z) AJ 23	(aa) AJ 24	(ab) AJ 25	(ac) AJ 26	(b1)	(b1)	(bm)	(bn)
Line No	FERC Acct	Description	Payroll Taxes	Revenue Related Taxes	State Income Taxes AZ and NM	State Income Taxes Texas	Federal Income Taxes	Misc General Expenses	Interest on Customer Deposit	Advertising	Membership Dues Excluded	Lobbying	Advertising and Contribution	Total Adjustments	Adjusted Balance	To Reflect Rate Ref	Requested Balance
118		Total Administrative & General Expense	-	-	-	-	-	(102,218)	82,820	(155,311)	(43,647)	(11,101)	1,260,720	(7,678,960)	100,781,840	-	100,781,840
119		Total Operation & Maintenance Expense	-	-	-	-	-	(102,218)	82,820	(155,956)	94,836	(11,101)	1,260,720	(13,147,721)	515,463,347	194,390	515,677,737

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
SCHEDULE A-3 ADJUSTMENTS TO TEST YEAR
SPONSOR JENNIFER I BORDEN
PREPARER ALEJANDRA MONTALVO
FOR THE TEST YEAR ENDED DECEMBER 31 2020

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	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
			AJ 1	AJ 2	AJ 3	AJ 4	AJ 5	AJ 6	AJ 7	AJ 8	AJ 9	AJ 10	AJ 11	AJ 12	AJ 13	AJ 14	AJ 15	
Line No	FERC Acct	Description	Test Year Actual	Revenues & Uncollectibles	Fuel and PP	Salaries and Wages	Pension and Benefits	Decommissioning	Palo Verde O&M Expense	COVID-19 Related Costs	Outside Services	Property Insurance	Injuries and Damages	Reg Asset Amortization	Rate Case and Other Reg Com Exp	Miscellaneous Generation OM	Depreciation Expense	Property Taxes
120		Depreciation and Amortization																
121	407	Deferred Debt/Credit Amortization	2 238 525	-	-	-	-	-	-	-	-	-	-	2 781 774	-	-	-	-
122	403 404	Depreciation and Amortization Expense	106 473 349	-	-	-	-	-	-	-	-	-	-	-	-	-	20 170 460	-
123	41111	Decommissioning/Accretion	9 847 675	-	-	-	-	(9 709 472)	-	-	-	-	-	-	-	-	-	-
124		Total Depreciation and Amortization	118 559 449	-	-	-	-	(9 709 472)	-	-	-	-	-	2 781 774	-	-	20 170 460	-
125	408 1	Taxes Other Than Federal Income Tax																
		Non-Revenue Related																
126		Ad Valorem	28 273 989	-	-	-	-	-	-	-	-	-	-	-	-	-	-	831 015
127		Payroll Taxes	9 266 494	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
128		Franchise/Margin Tax		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
129		Other States		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130		Other Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
131		Sales & Use Tax	106 668	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
132		Other States - Compensating	31 195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
133		Subtotal	37 678 344	-	-	-	-	-	-	-	-	-	-	-	-	-	-	831 015
		Revenue Related																
134		State Gross Receipts																
135		Texas	10 007 659	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
136		Other States		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
137		Local Occupation/Street Rental																
138		Texas	24 995 586	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
139		Other States	88 632	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
140		PUC Assessment																
141		Texas	988 356	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
142		Other States PRC Assessment	888 139	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	409	Current State Income Tax																
143		New Mexico	958 412	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
144		Texas	1 494 399	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
145		Arizona	(483 348)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
146		Subtotal	38 937 838	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	410 411	Deferred State Income Tax																
147		New Mexico	897 884	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
148		Texas	(207 093)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
149		Arizona	276 478	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150		Subtotal	767 269	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
151		Total Taxes Other Than Federal Income Tax	77 383 449	-	-	-	-	-	-	-	-	-	-	-	-	-	-	831 015
152		Current Federal Income Tax	13 269 006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
153		Deferred Federal Income Tax	10 292 649	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total Federal Income Tax	23 561 655	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
154		Contributions and Donations		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
155		Interest on Customer Deposits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
156		Total Operating Expenses	748 135 621	(10 843)	(2 377 717)	(422 694)	(6 782 701)	(9 709 472)	(222 999)	(3 987 723)	30 640	477 475	(324 935)	2 781 774	(603 441)	(91 784)	20 170 480	831 015

Amounts may not be due to rounding

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
SCHEDULE A-3 ADJUSTMENTS TO TEST YEAR
SPONSOR JENNIFER I BORDEN
PREPARER ALEJANDRA MONTALVO
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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	(a)	(b)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)	(ab)	(ac)	(bk)	(bl)	(bm)	(bn)
			AJ 18	AJ 17	AJ 18	AJ 19	AJ 20	AJ 21	AJ 22	AJ 23	AJ 24	AJ 25	AJ 26				
Line No	FERC Acct	Description	Payroll Taxes	Revenue Related Taxes	State Income Taxes AZ and NM	State Income Taxes Texas	Federal Income Taxes	Misc General Expenses	Interest on Customer Deposit	Advertising	Membership Dues Excluded	Lobbying	Advertising and Contribution	Total Adjustments	Adjusted Balance	To Reflect Rate Relief	Requested Balance
120		Depreciation and Amortization	-	-	-	-	-	-	-	-	-	-	-	2,781,774	5,020,299	-	5,020,299
121	407	Deferred Debt/Credit Amortization	-	-	-	-	-	-	-	-	-	-	-	20,170,460	126,643,809	-	126,643,809
122	403 404	Depreciation and Amortization Expense	-	-	-	-	-	-	-	-	-	-	-	(9,709,472)	138,103	-	138,103
123	41111	Decommissioning/Accretion	-	-	-	-	-	-	-	-	-	-	-	13,242,762	131,802,210	-	131,802,210
124		Total Depreciation and Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
125	408 1	Taxes Other Than Federal Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Non-Revenue Related	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
126		Ad Valorem	-	-	-	-	-	-	-	-	-	-	-	831,015	29,105,004	-	29,105,004
127		Payroll Taxes	(1,128,412)	-	-	-	-	-	-	-	-	-	(579)	(1,128,991)	8,137,503	-	8,137,503
128		Franchise/Margin Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
129		Other States	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
130		Other Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
131		Sales & Use Tax	-	-	-	-	-	-	-	-	-	-	-	-	106,666	-	106,666
132		Other States - Compensating	-	-	-	-	-	-	-	-	-	-	-	-	31,195	-	31,195
133		Subtotal	(1,128,412)	-	-	-	-	-	-	-	-	-	(579)	(297,876)	37,380,368	-	37,380,368
		Revenue Related	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
134		State Gross Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
135		Texas	-	50,375	-	-	-	-	-	-	-	-	-	50,375	10,058,034	847,850	10,705,884
136		Other States	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
137		Local Occupator/Street Rental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
138		Texas	-	125,818	-	-	-	-	-	-	-	-	-	125,818	25,121,404	1,617,599	26,739,003
139		Other States	-	(1,174)	-	-	-	-	-	-	-	-	-	(1,174)	87,458	5,738	93,194
140		PUC Assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
141		Texas	-	4,975	-	-	-	-	-	-	-	-	-	4,975	993,331	63,962	1,057,293
142		Other States PRC Assessment	-	(36,032)	-	-	-	-	-	-	-	-	-	(36,032)	852,107	57,476	909,583
409		Current State Income Tax	-	-	(725)	-	-	-	-	-	-	-	-	-	-	-	-
143		New Mexico	-	-	-	-	-	-	-	-	-	-	-	(725)	957,687	575,339	1,533,025
144		Texas	-	-	-	198,768	-	-	-	-	-	-	-	198,768	1,693,167	452,272	2,145,439
145		Arizona	-	-	(28,408)	-	-	-	-	-	-	-	-	(28,408)	(511,754)	81,371	(430,383)
146		Subtotal	-	143,962	(29,131)	198,768	-	-	-	-	-	-	-	313,599	39,251,435	3,501,405	42,752,840
410 411		Deferred State Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
147		New Mexico	-	-	1,758	-	-	-	-	-	-	-	-	1,758	699,642	-	699,642
148		Texas	-	-	-	488,246	-	-	-	-	-	-	-	488,246	281,153	-	281,153
149		Arizona	-	-	249	-	-	-	-	-	-	-	-	249	276,727	-	276,727
150		Subtotal	-	-	2,007	488,246	-	-	-	-	-	-	-	490,253	1,257,522	-	1,257,522
151		Total Taxes Other Than Federal Income Tax	(1,128,412)	143,962	(27,124)	687,014	-	-	-	-	-	-	(579)	505,876	77,889,325	3,501,405	81,390,730
152		Current Federal Income Tax	-	-	-	-	1,910,476	-	-	-	-	-	-	1,910,476	15,179,482	10,104,645	25,284,127
153		Deferred Federal Income Tax	-	-	-	-	(5,004,652)	-	-	-	-	-	-	(5,004,652)	5,287,987	-	5,287,987
		Total Federal Income Tax	-	-	-	-	(3,094,176)	-	-	-	-	-	-	(3,094,176)	20,467,479	10,104,645	30,572,124
154		Contributions and Donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
155		Interest on Customer Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
156		Total Operating Expenses	(1,128,412)	143,962	(27,124)	687,014	(3,094,176)	(102,218)	82,820	(155,956)	94,836	(11,680)	1,260,720	(2,493,259)	745,642,361	13,800,440	759,442,801

Amounts may not be due to rounding

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 WORKPAPER TO SCHEDULE B-1.1:
 SPONSOR: ADRIAN HERNANDEZ
 PREPARER: ADRIAN HERNANDEZ
 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

WORKPAPER B-1.1
 1 OF 6

Line No.	Description	Adjusted Allocator	ADJUSTED			Texas Allocation
			Total Company	Texas	Other	
1						
2						
3	RATE BASE SUMMARY					
4						
5	Plant in Service		4,690,486,072	3,665,210,259	1,025,275,813	0.78141
6	Less. Accumulated Deprec & Amort		(1,576,214,988)	(1,223,765,542)	(352,449,447)	0.77640
7	Net Plant In Service		3,114,271,084	2,441,444,718	672,826,366	0.78395
8						
9	Additions to Rate Base					
10	CWIP		0	0	0	
11	Working Cash		(3,405,792)	(2,622,625)	(783,167)	0.77005
12	Fuel Inventory		1,749,819	1,393,806	356,013	0.79654
13	Nuclear Fuel		0	0	0	
14	Materials & Supplies		61,541,055	48,530,177	13,010,878	0.78858
15	Prepayments		18,668,836	14,822,703	3,846,133	0.79398
16	Coal Reclamation Asset		7,626	0	7,626	-
17	Regulatory Assets		18,546,445	9,523,392	9,023,054	0.51349
18	Tax Assets		148,556,892	116,130,211	32,426,681	0.78172
19	Miscellaneous Deferred Debits		4,753,137	3,857,693	895,443	0.81161
20	Total Additions to Rate Base		250,418,018	191,635,357	58,782,661	0.76526
21						
22	Deductions to Rate Base					
23	Customer Deposits		(8,321,655)	(5,614,688)	(2,706,966)	0.67471
24	Regulatory Liabilities		0	0	0	
25	Tax Liabilities		(713,588,117)	(558,530,641)	(155,057,476)	0.78271
26	Customer Advances - Construction		(31,754,536)	(25,033,070)	(6,721,467)	0.78833
27	Total Deductions from Rate Base		(753,664,308)	(589,178,399)	(164,485,909)	0.78175
28						
29	Rate Base		2,611,024,794	2,043,901,676	567,123,118	0.78280
30						
31	Return on Rate Base - Requested		208,496,597	163,210,454	45,286,143	0.78280
32						
33	Rate of Return		7.985%	7.985%	7.985%	1.00000
34						

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 WORKPAPER TO SCHEDULE B-1.1:
 SPONSOR: ADRIAN HERNANDEZ
 PREPARER: ADRIAN HERNANDEZ
 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

WORKPAPER B-1.1
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Line No	Description	Adjusted Allocator	ADJUSTED			Texas Allocation
			Total Company	Texas	Other	
35	PLANT IN SERVICE					
36						
37	A101 & 106 Plant In Service					
38	Intangible Plant					
39	303 Miscellaneous Intangible Plant	CUSTLABOR	33,849,009	27,275,339	6,573,670	0.80579
40	303 Miscellaneous Intangible Plant	D1PROD	829,366	673,122	156,244	0.81161
41	303 Miscellaneous Intangible Plant	D2PROD	217,351	176,325	41,026	0.81125
42	303 Miscellaneous Intangible Plant	DIRECT	191,674	47,522	144,152	0.24793
43	303 Miscellaneous Intangible Plant	DISTLABOR	22,896,904	17,450,258	5,446,646	0.76212
44	303 Miscellaneous Intangible Plant	LABOR	38,829,536	30,653,809	8,175,727	0.78945
45	303 Miscellaneous Intangible Plant	PRODLABOR	2,310,338	1,850,208	460,130	0.80084
46	303 Miscellaneous Intangible Plant	RG_PRODLABOR	251,713	202,079	49,633	0.80282
47	303 Miscellaneous Intangible Plant	TRANLABOR	19,651,623	15,627,624	4,023,998	0.79523
48	Total Intangible Plant		119,027,514	93,956,287	25,071,227	0.78937
49						
50	Steam Production					
51	310 Land & Land Rights	D1PROD	282,846	229,561	53,285	0.81161
52	311 Structures and Improvements	D1PROD	73,848,704	59,936,347	13,912,357	0.81161
53	312 Boiler Plant Equipment	D1PROD	169,645,056	137,685,624	31,959,432	0.81161
54	313 Engines / Engine Driven Gen	D1PROD	90,025,815	73,065,851	16,959,963	0.81161
55	314 Turbo generator Units	D1PROD	153,535,001	124,610,542	28,924,459	0.81161
56	315 Accessory Electric Equip	D1PROD	39,694,961	32,216,828	7,478,134	0.81161
57	316 Misc. Power Plant Equip.	D1PROD	53,764,656	43,635,933	10,128,724	0.81161
58	317 Asset Retirement Costs - Steam	D1PROD	(248,487)	(201,675)	(46,812)	0.81161
59	Other Production Plant Adjustments	D1PROD	(157,632)	(127,936)	(29,696)	0.81161
60	Total Steam Production		580,390,920	471,051,075	109,339,845	0.81161
61						
62	Nuclear Production					
63	303 Misc. Intangible Plant	D1PROD	57,108,057	46,349,470	10,758,587	0.81161
64	320 Land & Land Rights	D1PROD	2,360,085	1,915,468	444,616	0.81161
65	321 Structures and Improvements	D1PROD	552,692,717	448,570,936	104,121,781	0.81161
66	322 Reactor Plant Equipment	D1PROD	807,730,767	655,562,367	152,168,399	0.81161
67	323 Turbogenerator units	D1PROD	268,500,872	217,917,993	50,582,879	0.81161
68	324 Accessory Electric Equip.	D1PROD	183,408,643	148,856,289	34,552,354	0.81161
69	325 Misc. Power Plant Equip	D1PROD	145,121,605	117,782,146	27,339,459	0.81161
70	326 Asset Retirement Costs - Nuclear	D1PROD	(39,726,967)	(32,242,804)	(7,484,163)	0.81161
71	350 Land and Land Rights	D1PROD	10,644	8,639	2,005	0.81161
72	353 Station Equipment	D1PROD	13,966,391	11,335,262	2,631,128	0.81161
73	354 Towers and Fixtures	D1PROD	1,485,918	1,205,986	279,932	0.81161
74	356 O.H. Conductors & Devices	D1PROD	258,414	209,731	48,683	0.81161
75	391 Computer Equipment	D1PROD	923,686	749,673	174,013	0.81161
76	392 Transportation Equipment	D1PROD	4,058,610	3,294,008	764,601	0.81161
77	393 Stores Equipment	D1PROD	8,703	7,063	1,639	0.81161
78	394 Tools Shop and Garage Equip	D1PROD	1,430,301	1,160,847	269,454	0.81161
79	396 Power Operated Equipment	D1PROD	4,791,768	3,889,046	902,721	0.81161
80	397 Communication Equipment	D1PROD	4,234,548	3,436,802	797,747	0.81161
81	398 Misc Equipment	D1PROD	14,538	11,799	2,739	0.81161
82	Nuclear Production Plant Adjustments	D1PROD	(795,436,825)	(645,584,482)	(149,852,343)	0.81161
83	Total Nuclear Production		1,212,942,473	984,436,241	228,506,233	0.81161
84						
85	Other Production					
86	340 Land & Land Rights	D2PROD	2,469,070	2,003,026	466,044	0.81125
87	340 Land & Land Rights	DIRECT	284,252	284,252	0	1.00000
88	341 Structures and Improvements	D2PROD	47,788,018	38,767,890	9,020,128	0.81125
89	341 Structures and Improvements	DIRECT	2,060,743	70,491	1,990,252	0.03421
90	342 Structures and Improvements	D2PROD	25,216,296	20,456,646	4,759,650	0.81125
91	343 Prime movers	D2PROD	372,783,424	302,419,462	70,363,963	0.81125
92	344 Generators	D2PROD	33,033,351	26,798,209	6,235,142	0.81125
93	344 Generators	DIRECT	13,683,762	1,065,566	12,618,196	0.07787
94	345 Accessory Plant Equipment	D2PROD	27,934,600	22,661,862	5,272,737	0.81125
95	345 Accessory Plant Equipment	DIRECT	4,930,260	141,552	4,788,708	0.02871
96	346 Accessory Plant Equipment	D2PROD	6,440,398	5,224,754	1,215,644	0.81125
97	346 Misc. Power Plant Equipment	DIRECT	533,641	0	533,641	-
98	347 Asset Retirement Costs - Other	D2PROD	255,881	207,583	48,298	0.81125
99	Other Plant Adjustments	D2PROD	(293,326)	(237,960)	(55,366)	0.81125
100	Total Other Production		537,120,371	419,863,333	117,257,038	0.78169
101						
102	Total Production Plant		2,330,453,765	1,875,350,649	455,103,116	0.80471

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 WORKPAPER TO SCHEDULE B-1.1:
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 PREPARER: ADRIAN HERNANDEZ
 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

WORKPAPER B-1.1
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Line No	Description	Adjusted Allocator	ADJUSTED			Texas Allocation
			Total Company	Texas	Other	
103						
104	Transmission Plant					
105	350 Land and Land Rights	D2TRAN	41,161,475	32,760,432	8,401,043	0.79590
106	352 Structures and Improvements	D2TRAN	12,563,239	9,999,086	2,564,153	0.79590
107	353 Station Equipment	D2TRAN	192,597,027	153,288,039	39,308,988	0.79590
108	354 Towers and Fixtures	D2TRAN	29,904,912	23,801,330	6,103,582	0.79590
109	355 Poles and Fixtures	D2TRAN	178,263,157	141,879,707	36,383,450	0.79590
110	356 O H Conductors & Devices	D2TRAN	98,583,360	78,462,530	20,120,830	0.79590
111	359 Roads and Trails	D2TRAN	3,700,725	2,945,408	755,317	0.79590
112	Transmission Plant Adjustments	D2TRAN	(1,490,572)	(1,186,347)	(304,225)	0.79590
113	Total Transmission Plant		555,283,323	441,950,185	113,333,138	0.79590
114	PLANT IN SERVICE, continued					
115	Distribution Plant					
116	360 Land and Land Rights	DIRECT	10,217,648	9,223,070	994,578	0.90266
117	361 Structures and Improvements	DIRECT	27,649,627	23,079,223	4,570,404	0.83470
118	362 Station Equipment	DIRECT	300,638,829	229,751,970	70,886,859	0.76421
119	364 Poles, Towers & Fixtures	DIRECT	194,118,831	131,007,070	63,111,761	0.67488
120	365 O.H. Conductors & Devices	DIRECT	128,652,972	90,911,084	37,741,888	0.70664
121	366 Underground Conduits	DIRECT	148,013,121	104,732,197	43,280,924	0.70759
122	367 U G. Conductors & Devices	DIRECT	176,096,160	132,327,341	43,768,818	0.75145
123	368 Line Transformers	DIRECT	297,511,518	221,531,430	75,980,089	0.74461
124	369 Services	DIRECT	59,276,303	41,728,794	17,547,509	0.70397
125	370 Meters	DIRECT	65,387,379	51,750,006	13,637,374	0.79144
126	371 Install. on Customer Prem	DIRECT	14,469,973	8,930,114	5,539,860	0.61715
127	373 Street Lights	DIRECT	12,119,787	9,861,814	2,257,972	0.81370
128	Distribution Plant Adjustment	DIRECT	(6,560,746)	(4,660,635)	(1,900,111)	0.71038
129	Total Distribution Plant		1,427,591,403	1,050,173,478	377,417,925	0.73563
130						
131	General Plant					
132	389 Land and Land Rights	LABOR	1,685,155	1,330,339	354,817	0.78945
133	390 Structures and Improvements	LABOR	116,661,493	92,097,909	24,563,584	0.78945
134	391 Office Furniture & Equip.	LABOR	32,172,589	25,398,511	6,774,078	0.78945
135	392 Office Furniture & Equip.	LABOR	51,306,786	40,503,919	10,802,866	0.78945
136	392 Transportation Equipment	LABOR	53,348	42,115	11,233	0.78945
137	393 Store Equipment	LABOR	6,601,348	5,211,406	1,389,943	0.78945
138	394 Tools, Shop & Garage Equip	LABOR	5,499,452	4,341,519	1,157,934	0.78945
139	395 Laboratory Equipment	LABOR	4,495,231	3,548,741	946,490	0.78945
140	396 Power Operated Equipment	LABOR	35,205,384	27,792,737	7,412,646	0.78945
141	397 Communication Equipment	LABOR	5,391,587	4,256,365	1,135,222	0.78945
142	398 Misc. Equipment	LABOR	87,400	68,998	18,402	0.78945
143	General Plant Adjustments	LABOR	(1,029,706)	(812,897)	(216,809)	0.78945
144	Total General Plant		258,130,067	203,779,660	54,350,406	0.78945
145						
146	Total Plant in Service		4,690,486,072	3,665,210,259	1,025,275,813	0.78141
147						
148						
149						
150	ACCUM PROVISION FOR DEPREC & AMORT					
151						
152	111 Accum. Prov For Amortization					
153	303 Miscellaneous Intangible AD	CUSTLABOR	(872,677)	(703,198)	(169,479)	0.80579
154	303 Miscellaneous Intangible AD	D1PROD	(413,752)	(335,805)	(77,947)	0.81161
155	303 Miscellaneous Intangible AD	D2PROD	(50,480)	(40,952)	(9,528)	0.81125
156	303 Miscellaneous Intangible AD	DISTLABOR	(18,458,539)	(14,067,678)	(4,390,861)	0.76212
157	303 Miscellaneous Intangible AD	LABOR	(53,219,067)	(42,013,561)	(11,205,506)	0.78945
158	303 Miscellaneous Intangible AD	PRODLABOR	(1,289,832)	(1,032,948)	(256,885)	0.80084
159	303 Miscellaneous Intangible AD	RG_PRODLABOR	(111,211)	(89,282)	(21,929)	0.80282
160	303 Miscellaneous Intangible AD	TRANLABOR	(3,998,552)	(3,179,782)	(818,770)	0.79523
161	Total A111 Accum. Prov. For Amortization		(78,414,111)	(61,463,206)	(16,950,904)	0.78383
162						
163	108 Accum. Prov For Depreciation					
164	Steam Production Accum Depr					
165	310 Land and Land Rights	D1PROD	(4)	(4)	(1)	0.81081
166	311 Structures and Improvements	D1PROD	(25,071,519)	(20,348,295)	(4,723,223)	0.81161
167	312 Boiler Plant Equipment	D1PROD	(66,827,074)	(54,237,522)	(12,589,553)	0.81161
168	313 Engines / Engine Driven Gen	D1PROD	(20,046,449)	(16,269,899)	(3,776,551)	0.81161
169	314 Turbo generator Units	D1PROD	(83,035,326)	(67,392,301)	(15,643,025)	0.81161
170	315 Accessory Electric Equip.	D1PROD	(15,988,714)	(12,976,600)	(3,012,114)	0.81161
171	316 Misc. Power Plant Equip	D1PROD	(35,895,117)	(29,132,836)	(6,762,281)	0.81161
172	317 Asset Retirement Costs - Steam	D1PROD	129,306	104,946	24,360	0.81161
173	Steam Production Accum Depr. Adjustments	D1PROD	7,166	5,816	1,350	0.81161
174	Total Steam Production Accum. Depr.		(246,727,731)	(200,246,694)	(46,481,037)	0.81161
175						

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
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 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

WORKPAPER B-1.1
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Line No	Description	Adjusted Allocator	ADJUSTED			Texas Allocation
			Total Company	Texas	Other	
176	ACCUM PROVISION FOR DEPREC & AMORT, continued					
177	Nuclear Production Accum Depr					
178	303 Misc Intangible plant	D1PROD	(24,455,766)	(19,848,544)	(4,607,222)	0.81161
179	320 Land & Land Rights	D1PROD	2,040	1,656	384	0.81161
180	321 Structures and Improvements	D1PROD	(288,682,162)	(234,297,330)	(54,384,833)	0.81161
181	322 Reactor Plant Equipment	D1PROD	(434,544,656)	(352,680,788)	(81,863,868)	0.81161
182	323 Turbogenerator units	D1PROD	(128,184,525)	(104,035,842)	(24,148,683)	0.81161
183	324 Accessory Electric Equip	D1PROD	(120,863,935)	(98,094,379)	(22,769,557)	0.81161
184	325 Misc Power Plant Equip	D1PROD	(301,304,727)	(244,541,930)	(56,762,798)	0.81161
185	326 Asset Retirement Costs - Nuclear	D1PROD	6,331,712	5,138,881	1,192,831	0.81161
186	350 Land and Land Rights	D1PROD	(2,570)	(2,086)	(484)	0.81161
187	353 Station Equipment	D1PROD	(3,230,534)	(2,621,934)	(608,600)	0.81161
188	354 Towers and Fixtures	D1PROD	(454,590)	(368,950)	(85,640)	0.81161
189	356 O H Conductors & Devices	D1PROD	(148,617)	(120,619)	(27,998)	0.81161
190	391 Computer Equipment	D1PROD	(32,274)	(26,194)	(6,080)	0.81161
191	392 Transportation Equipment	D1PROD	67,230	54,565	12,666	0.81161
192	393 Stores Equipment	D1PROD	(459)	(373)	(87)	0.81161
193	394 Tools, Shop & Garage Equip	D1PROD	(187,502)	(152,178)	(35,323)	0.81161
194	396 Power Operated Equipment	D1PROD	(1,887,408)	(1,531,839)	(355,569)	0.81161
195	397 Communication Equipment	D1PROD	(1,144,890)	(929,204)	(215,686)	0.81161
196	398 Misc Equipment	D1PROD	247	201	47	0.81163
197	Nuclear Production Accum Depr. Adjustments	D1PROD	868,702,463	705,047,606	163,654,857	0.81161
198	Total Nuclear Production Accum. Depr.		(430,020,924)	(349,009,282)	(81,011,642)	0.81161
199						
200	Other Production Accum Depr					
201	340 Land and Land Rights	D2PROD	(0)	(0)	(0)	0.81250
202	341 Structures and Improvements	D2PROD	(10,776,871)	(8,742,705)	(2,034,166)	0.81125
203	341 Structures and Improvements	DIRECT	(175,641)	(18,357)	(157,283)	0.10452
204	342 Fuel Holder, Producer & Acc	D2PROD	(2,915,675)	(2,365,333)	(550,342)	0.81125
205	343 Prime movers	D2PROD	(42,400,344)	(34,397,155)	(8,003,189)	0.81125
206	344 Generators	D2PROD	(3,421,551)	(2,775,723)	(645,828)	0.81125
207	344 Generators	DIRECT	(1,904,474)	(288,337)	(1,616,137)	0.15140
208	345 Accessory Plant Equipment	D2PROD	(4,020,769)	(3,261,837)	(758,932)	0.81125
209	345 Accessory Plant Equipment	DIRECT	(165,500)	(19,279)	(146,221)	0.11649
210	346 Misc. Power Plant Equipment	D2PROD	(4,293,221)	(3,482,863)	(810,358)	0.81125
211	346 Misc. Power Plant Equipment	DIRECT	(28,471)	0	(28,471)	-
212	347 Asset Retirement Costs - Other	D2PROD	(43,520)	(35,305)	(8,214)	0.81125
213	Other Production Accum Depr Adjustments	D2PROD	37,260	30,227	7,033	0.81125
214	Total Other Production Accum Depr		(70,108,779)	(55,356,670)	(14,752,108)	0.78958
215						
216	Total Production Accumulated Depreciation		(746,857,434)	(604,612,646)	(142,244,788)	0.80954
217						
218	Transmission Plant Accum Depr					
219	350 Land and Land Rights	D2TRAN	(8,716,967)	(6,937,837)	(1,779,130)	0.79590
220	352 Structures and Improvements	D2TRAN	(4,388,809)	(3,493,055)	(895,754)	0.79590
221	353 Station Equipment	D2TRAN	(90,045,373)	(71,667,143)	(18,378,230)	0.79590
222	354 Towers and Fixtures	D2TRAN	(15,185,746)	(12,086,340)	(3,099,406)	0.79590
223	355 Poles and Fixtures	D2TRAN	(67,139,183)	(53,436,099)	(13,703,085)	0.79590
224	356 O.H Conductors & Devices	D2TRAN	(56,149,618)	(44,689,500)	(11,460,118)	0.79590
225	359 Roads and Trails	D2TRAN	(4,297,777)	(3,420,602)	(877,175)	0.79590
226	Transmission Accum Depr Adjustments	D2TRAN	93,755	74,620	19,135	0.79590
227	FERC Depreciation Adjustment	D2TRAN	3,059,100	2,434,739	624,361	0.79590
228	Total Transmission Plant Accum Depr		(242,770,618)	(193,221,217)	(49,549,401)	0.79590
229						
230	Distribution Plant Accum Depr					
231	360 Land Rights	DIRECT	(673,686)	(489,529)	(184,158)	0.72664
232	361 Structures and Improvements	DIRECT	(3,220,874)	(2,660,759)	(560,114)	0.82610
233	362 Station Equipment	DIRECT	(73,910,512)	(49,873,967)	(24,036,544)	0.67479
234	364 Poles, Towers and Fixtures	DIRECT	(63,992,644)	(40,782,529)	(23,210,115)	0.63730
235	365 O H Conductors and Devices	DIRECT	(36,192,612)	(25,235,332)	(10,957,281)	0.69725
236	366 U G Conduits	DIRECT	(42,526,205)	(28,828,481)	(13,697,724)	0.67790
237	367 U G Conductors and Devices	DIRECT	(50,499,253)	(32,943,511)	(17,555,742)	0.65236
238	368 Line Transformers	DIRECT	(70,804,214)	(51,161,614)	(19,642,600)	0.72258
239	369 Services	DIRECT	(27,274,518)	(20,559,254)	(6,715,264)	0.75379
240	370 Meters	DIRECT	(30,539,597)	(26,617,021)	(3,922,576)	0.87156
241	371 Install. on Customer Prem	DIRECT	(5,877,626)	(3,705,743)	(2,171,883)	0.63048
242	373 Street Lighting	DIRECT	(6,256,066)	(5,393,435)	(862,630)	0.86211
243	Distribution Accum Depr. Adjustments	DIRECT	614,817	413,063	201,754	0.67185
244	Total Distribution Plant Accum Depr		(411,152,989)	(287,838,113)	(123,314,876)	0.70008

EL PASO ELECTRIC COMPANY
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 WORKPAPER TO SCHEDULE B-1 1.
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 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

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Line No.	Description	Adjusted Allocator	ADJUSTED			Texas Allocation
			Total Company	Texas	Other	
245	ACCUM PROVISION FOR DEPREC & AMORT, continued					
246						
247						
248	General Plant Accum. Depr					
249	389 Land and Land Rights	LABOR	(8,339)	(6,583)	(1,756)	0.78945
250	390 Structures and Improvements	LABOR	(17,646,368)	(13,930,849)	(3,715,519)	0.78945
251	391 Office Furniture & Equip.	LABOR	(24,470,251)	(19,317,934)	(5,152,318)	0.78945
252	392 Transportation Equipment	LABOR	(33,171,055)	(26,186,745)	(6,984,310)	0.78945
253	393 Store Equipment	LABOR	(51,838)	(40,923)	(10,915)	0.78945
254	394 Tools, Shop & Garage Equip	LABOR	(2,081,018)	(1,642,851)	(438,167)	0.78945
255	395 Laboratory Equipment	LABOR	(2,253,611)	(1,779,104)	(474,508)	0.78945
256	396 Power Operated Equipment	LABOR	(1,238,843)	(977,999)	(260,844)	0.78945
257	397 Communication Equipment	LABOR	(14,512,214)	(11,464,697)	(3,047,517)	0.79000
258	398 Misc. Equipment	LABOR	(1,666,630)	(1,346,092)	(320,538)	0.80767
259	399 Asset Retirement General AD	LABOR	(24,881)	(19,643)	(5,239)	0.78945
260	General Accum Depr. Adjustments	LABOR	105,211	83,058	22,153	0.78945
261	Total General Plant Accum Depr.		(97,019,837)	(76,630,359)	(20,389,477)	0.78984
262						
263	Total A108 Accum Prov For Depreciation		(1,576,214,988)	(1,223,765,542)	(352,449,447)	0.77640
264						
265	Electric Plant Adjustments	D1PROD	0	0	0	
266						
267	Total Accum Deprec & Amort (A108 & A111)		(1,576,214,988)	(1,223,765,542)	(352,449,447)	0.77640
268						
269	Net Plant in Service		3,114,271,084	2,441,444,718	672,826,366	0.78395
270						
271						
272	ADDITIONS TO RATE BASE - WORKING CAPITAL					
273	Cash Allowance-Working Capital (EQUALIZED)	OMXUNCOLL	(3,405,792)	(2,622,625)	(783,167)	0.77005
274						
275	151 Fuel Inventory					
276	Fuel Inventory	E2ENERGY	1,721,286	1,371,078	350,208	0.79654
277	Fuel Inventory - Allowance	E2ENERGY	28,533	22,728	5,805	0.79654
278	Total A151 Fuel Inventory		1,749,819	1,393,806	356,013	0.79654
279						
280	154 Materials					
281	Generation	D1PROD	29,916,865	24,280,827	5,636,038	0.81161
282	Generation	D2PROD	156,790	127,195	29,595	0.81125
283	Generation	PRODLABOR	6,207,472	4,971,185	1,236,288	0.80084
284	Energy	E2ENERGY	920	733	187	0.79654
285	Distribution	DIRECT	25,263,556	19,153,583	6,109,973	0.75815
286	163 Stores Exp	DISTPLT	(4,548)	(3,345)	(1,203)	0.73551
287	Total A154 Materials		61,541,055	48,530,177	13,010,878	0.78858
288						
289						
290	165 Prepayments					
291	Generation	D1PROD	4,235,882	3,437,884	797,998	0.81161
292	Generation	PRODLABOR	292,007	233,850	58,156	0.80084
293	Energy	E2ENERGY	2,476	1,972	504	0.79654
294	General & Admin	LABOR	9,114,987	7,195,787	1,919,200	0.78945
295	Insurance	GROSSPLT	4,448,338	3,475,993	972,346	0.78141
296	Tax Related	NETPLT	(79,805)	(62,563)	(17,242)	0.78395
297	Transmission Related	TRANLABOR	562,449	447,278	115,171	0.79523
298	Distribution Related	DIRECT	92,502	92,502	0	1.00000
299	A165 Total Prepayments		18,668,836	14,822,703	3,846,133	0.79398

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 WORKPAPER TO SCHEDULE B-1 1.
 SPONSOR: ADRIAN HERNANDEZ
 PREPARER: ADRIAN HERNANDEZ
 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

WORKPAPER B-1.1
 6 OF 6

Line No	Description	Adjusted Allocator	ADJUSTED			Texas Allocation
			Total Company	Texas	Other	
300						
301	ADDITIONS TO RATE BASE					
302						
303	Additions to Rate Base					
304	Other Regulatory Assets	DIRECT	18,546,445	9,523,392	9,023,054	0.51349
305						
306	Tax Assets					
307	18230 Other Regulatory Assets FAS109	NETPLT	16,071,228	12,599,100	3,472,127	0.78395
308	19000 Accum Deferred Income Taxes	DISTPLT	9,933,107	7,305,905	2,627,201	0.73551
309	19000 Accum Deferred Income Taxes	E2ENERGY	1	1	0	0.79646
310	19000 Accum Deferred Income Taxes	GROSSPLT	1,154,170	901,884	252,286	0.78141
311	19000 Accum Deferred Income Taxes	LABOR	26,696,511	21,075,445	5,621,066	0.78945
312	19000 Accum Deferred Income Taxes	NETPLT	94,709,501	74,247,875	20,461,626	0.78395
313	Total Tax Assets		148,564,518	116,130,211	32,434,307	0.78168
314						
315	Misc Deferred Debits	D1PROD	4,753,137	3,857,693	895,443	0.81161
316						
317	Total Additions to Rate Base		250,418,018	191,635,357	58,782,661	0.76526
318						
319	DEDUCTIONS TO RATE BASE					
320						
321	Customer Deposits					
322	Customer Deposits	DIRECT	(8,271,655)	(5,574,861)	(2,696,793)	0.67397
323	Customer Deposits	E2ENERGY	(50,000)	(39,827)	(10,173)	0.79654
324	Total Customer Deposits		(8,321,655)	(5,614,688)	(2,706,966)	0.67471
325						
326	Other Regulatory Liabilities	DIRECT	0	0	0	
327						
328	Customers Advances For Const	DIRECT	(31,754,536)	(25,033,070)	(6,721,467)	0.78833
329						
330	Tax Liabilities					
331	25400 Other Regulatory Liabilities FAS109	NETPLT	(283,625,229)	(222,349,082)	(61,276,147)	0.78395
332	28200 Accum Def Inc Tax Other Prop ADIT	GROSSPLT	(350,181,815)	(273,636,882)	(76,544,934)	0.78141
333	28200 Accum Def Inc Tax Other Prop ADIT	NETPLT	(68,594,441)	(53,774,874)	(14,819,567)	0.78395
334	28300 Accum Def Inc Taxes Other ADIT	NETPLT	(11,186,632)	(8,769,803)	(2,416,829)	0.78395
335	Total Tax Liabilities		(713,588,117)	(558,530,641)	(155,057,476)	0.78271
336						
337						
338	Total Deductions from Rate Base		(753,664,308)	(589,178,399)	(164,485,909)	0.78175
339						
340	Total Rate Base		2,611,024,794	2,043,901,676	567,123,118	0.78280

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 PLANT IN SERVICE
 SPONSOR: LARRY J. HANCOCK
 PREPARER: MARIANA GAMEZ
 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

WP/B-1/1
 ADJUSTMENT NO. 1
 PAGE 1 OF 3

Line No.	(a) Description	(b) Amount
	Plant In Service FERC Account No. 101000 & 106000	
1	Balance, As Adjusted	\$ 4,690,486,076
	Less:	
2	Amount Per Books	<u>5,516,676,913</u>
3	Adjustment	<u><u>\$ (826,190,837)</u></u>

Justification for requested adjustment:

The plant in service adjustments are described on page 2 and are discussed in more detail in EPE witness Hancock's testimony.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 PLANT IN SERVICE
 SPONSOR: LARRY J. HANCOCK
 PREPARER: MARIANA GAMEZ
 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

WP/B-1/1
 ADJUSTMENT NO. 1
 PAGE 2 OF 3

Line No.	(a) Description	(b) Per Book	(c) Adjustment	(d) As Adjusted
	<u>Total Plant</u>			
	<u>Non-Palo Verde (A)</u>			
1	Production Plant	\$ 1,138,429,114	\$ (20,917,824) (C)	\$ 1,117,511,290
2	Transmission	556,773,896	(1,490,572) (D)	555,283,324
3	Distribution	1,434,365,456	(6,774,052) (E)	1,427,591,404
4	General Plant	259,159,774	(1,029,706) (F)	258,130,068
5	Intangible Plant	119,569,373	(541,859) (G)	119,027,514
6	Total Non-Palo Verde	<u>3,508,297,613</u>	<u>(30,754,012)</u>	<u>3,477,543,601</u>
	<u>Palo Verde Plant (B)</u>			
7	Gross Palo Verde Plant	<u>2,008,379,300</u>	<u>(795,436,825) (H)</u>	<u>1,212,942,475</u>
8	Total	<u>\$ 5,516,676,913</u>	<u>\$ (826,190,837)</u>	<u>\$ 4,690,486,076</u>

Notes:

- (A) FERC Account Nos. 101000 and 106000-Excluding Palo Verde
- (B) FERC Account No. 101000 and 106000-Palo Verde, including transmission, general and intangible plant located at the plant site.
- (C) To exclude costs of \$(10,369,393) for Copper Station Gas Turbine 2003 Acquisition costs as required in FOF 17 in Docket No. 37690 Final Order, to exclude Rio Grande Unit 6 costs of \$(10,097,472) and removal of capitalized incentive compensation of \$(450,958).
- (D) To remove capitalized incentive compensation of \$(1,490,572).
To remove capitalized incentive compensation of \$(6,560,746), and removal of rate base
- (E) addition (\$213,306) closed early.
- (F) To remove capitalized incentive compensation of \$(1,029,706).
- (G) To remove capitalized incentive compensation of \$(541,859).
- (H) To restate PVGS to reflect fresh start balances as required in Docket No. 37690.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 PLANT IN SERVICE
 SPONSOR: LARRY J. HANCOCK
 PREPARER: MARIANA GAMEZ
 FOR THE TEST YEAR PERIOD ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO. 1
 PAGE 3 OF 3

Function	Per Book (a)	PV Reval (b)	Copper (c)	Capitalized Incentive Compensation (d)	Other Rate Base Adjustments to Plant (e)	Rio Grande Unit 6 (f)	Total Adjustments (g)	Adjusted (h)
<u>Non-Palo Verde</u>								
1 Production Plant	\$ 1,138,429,114	\$ -	\$ (10,369,393)	\$ (450,958)	\$ -	\$ (10,097,472)	\$ (20,917,824)	\$ 1,117,511,290
2 Transmission Plant	556,773,896	-	-	(1,490,572)	-	-	(1,490,572)	555,283,324
3 Distribution Plant	1,434,365,456	-	-	(6,560,746)	(213,306)	-	(6,774,052)	1,427,591,404
4 General Plant	259,159,774	-	-	(1,029,706)	-	-	(1,029,706)	258,130,068
5 Intangible Plant	119,569,373	-	-	(541,859)	-	-	(541,859)	119,027,514
6 Total Non-Palo Verde	<u>\$ 3,508,297,613</u>	<u>\$ -</u>	<u>\$ (10,369,393)</u>	<u>\$ (10,073,841)</u>	<u>\$ (213,306)</u>	<u>\$ (10,097,472)</u>	<u>\$ (30,754,012)</u>	<u>\$ 3,477,543,601</u>
<u>Palo Verde Production</u>								
7 Palo Verde Production Plant	<u>2,008,379,300</u>	<u>(795,436,825)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(795,436,825)</u>	<u>1,212,942,475</u>
8 Total	<u>\$ 5,516,676,913</u>	<u>\$ (795,436,825)</u>	<u>\$ (10,369,393)</u>	<u>\$ (10,073,841)</u>	<u>\$ (213,306)</u>	<u>\$ (10,097,472)</u>	<u>\$ (826,190,837)</u>	<u>\$ 4,690,486,076</u>

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 ADJUSTMENT NO. 1
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EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION
 SPONSOR: LARRY J. HANCOCK
 PREPARER: MARCELA CANDIA
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/B-1
 ADJUSTMENT NO. 2
 PAGE 1 OF 3

Line No.	(a) Description	(b) Amount
	Accumulated Provision for Depreciation and Amortization FERC Account Nos. 108 & 111	
1	Balance, As Adjusted	\$ 1,576,214,988
	Less:	
2	Balance, Per Book	<u>2,468,590,940</u>
3	Adjustment	<u>\$ (892,375,951)</u>

Justification for requested adjustment:

The accumulated depreciation adjustments are described on page 2 and are discussed in more detail in EPE witness Hancock's testimony.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION
 SPONSOR: LARRY J. HANCOCK
 PREPARER: MARCELA CANDIA
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO. 2
 PAGE 2 OF 3

	(a)	(b)	(c)	(d)
Line No.	Description	Per Book	Adjustments	As Adjusted
	Production Plant			
1	Nuclear	\$ 1,298,723,387	\$ (868,702,463) (B)	\$ 430,020,924
2	Steam	260,071,846	(13,344,115) (C)	246,727,731
3	Other	76,853,132	(6,744,353) (D)	70,108,779
4	Total Production Plant	1,635,648,365	(888,790,931)	746,857,434
5	Transmission Plant	245,923,473	(3,152,855) (E)	242,770,618
6	Distribution Plant	411,767,806	(614,817) (F)	411,152,989
7	General Plant	63,518,449	330,333 (G)	63,848,782
8	Transportation Plant	33,171,055	-	33,171,055
9	Total Provision for Accumulated Depreciation	2,390,029,148	(892,228,271)	1,497,800,877
10	Intangible Plant	78,561,792	(147,681) (H)	78,414,111
11	Subtotal	78,561,792	(147,681)	78,414,111
12	Total Accumulated Provision for Depreciation and Amortization	\$ 2,468,590,940	(A) \$ (892,375,951)	\$ 1,576,214,988

Notes

- (A) FERC Accounts 108, 111 and 116.
 (B) To restate PVGS to reflect fresh start balances as required in Docket No. 37690.
 (C) To remove capitalized incentive compensation of \$(7,166), FERC Audit adjustment of \$(2,969,364) and Rio Grande Unit 6 of \$(10,367,585).
 (D) To eliminate accumulated depreciation by \$(6,691,615) associated with the Copper Turbine, removed capitalized incentive compensation of \$(37,260) and FERC Audit adjustment of \$(15,478).
 (E) To remove capitalized incentive compensation of \$(93,755) and FERC Audit adjustment of \$(3,059,100).
 (F) To remove capitalized incentive compensation of \$(614,817).
 (G) To remove capitalized incentive compensation of \$(105,211) and FERC Audit Adjustment of \$435,544.
 (H) To remove capitalized incentive compensation of \$(147,681).

EL PASO ELECTRIC COMPANY
2021 TEXAS RATE CASE FILING
ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION
SPONSOR: LARRY J. HANCOCK
PREPARER: MARCELA CANDIA
FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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ADJUSTMENT NO. 2
PAGE 3 OF 3

Line No	Function	Per Book (a)	PV Revaluation (b)	Copper (c)	Capitalized Incentive Compensation (d)	FERC Audit Adjustment (e)	Rio Grande Unit 6 (f)	Total Adjustments (g)	Adjusted (h)
1	Nuclear	\$ 1,298,723,387	\$(868,702,463)	\$ -	\$ -	\$ -	\$ -	\$(868,702,463)	\$ 430,020,924
2	Steam	260,071,846	-	-	(7,166)	(2,969,364)	(10,367,585)	(13,344,115)	246,727,731
3	Other	76,853,132	-	(6,691,615)	(37,260)	(15,478)	-	(6,744,353)	70,108,779
4	Transmission Plant	245,923,473	-	-	(93,755)	(3,059,100)	-	(3,152,855)	242,770,618
5	Distribution Plant	411,767,806	-	-	(614,817)	-	-	(614,817)	411,152,989
6	General Plant	63,518,449	-	-	(105,211)	435,544	-	330,333	63,848,782
7	Transportation Plant	33,171,055	-	-	-	-	-	-	33,171,055
8	Total Provision for Accumulated Depreciation	\$ 2,390,029,148	\$(868,702,463)	\$(6,691,615)	\$ (858,210)	\$(5,608,398)	\$(10,367,585)	\$(892,228,271)	\$ 1,497,800,877
9	Intangible Plant	78,561,792	-	-	(147,681)	-	-	(147,681)	78,414,111
10	Total Accumulated Provision For Depreciation and Amortization	\$ 2,468,590,940	\$(868,702,463)	\$(6,691,615)	\$ (1,005,890)	\$(5,608,398)	\$(10,367,585)	\$(892,375,951)	\$ 1,576,214,988

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ADJUSTMENT NO. 2
PAGE 3 OF 3

REVISED - ERRATA NO 1

EL PASO ELECTRIC COMPANY

2021 TEXAS RATE CASE

RATE BASE

REGULATORY ASSETS AND LIABILITIES AND OTHER ADDITIONS/DEDUCTIONS

TO RATE BASE

SPONSOR: JENNIFER I. BORDEN

PREPARED BY: MELODY BOISSELIER

FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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ADJUSTMENT NO 03

PAGE 1 OF 3

Line No.	(a) Description	(b) FERC Acct	(c) Per Book	(d) Adjustments	(e) As Adjusted
<u>Regulatory Assets & Liabilities</u>					
1	2021 Texas Rate Case Cost	182.3	\$ -	\$ 3,176,288 (A)	\$ 3,176,288
2	2015 and 2017 Texas Rate Case Cost	182.3	418,309	(131,771) (B)	286,538
3	COVID-19 Related Costs	182.3	3,213,029	2,350,520 (C)	5,563,549
4	Texas Corporate Tax Compliance Reform	182.3	106,836	(26,709) (D)	80,127
5	Texas DCRF Filing	182.3	196,623	(49,156) (E)	147,467
6	Texas TCRF Filing	182.3	325,124	(81,281) (F)	243,843
7	Texas Demand Response Program	182.3	203,873	(50,968) (G)	152,905
8	Texas Other Regulatory Assets	182.3	1,353,734	(1,353,734) (H)	0
9	Texas FC Decommissioning	182.3	2,832,053	(2,832,053) (I)	0
10	Unamortized Coal Reclamation Asset	182.3	2,744,081	(2,744,081) (J)	0
11	New Mexico FC Decommissioning	182.3	1,400,433	(1,400,433) (I)	0
12	New Mexico Renewable Energy Cost	182.3	2,472,554	0	2,472,554 (K)
13	New Mexico Rate Case Cost	182.3	1,919,103	0	1,919,103 (K)
14	New Mexico Other Regulatory Assets	182.3	4,144,265	(127,326)	4,016,939 (K)
15	FERC Regulatory Assets	182.3	487,132	0	487,132 (K)
16	Total Regulatory Assets & Liabilities		\$ 21,817,149	\$ (3,270,704)	\$ 18,546,445
<u>Other Additions / Deductions to Rate Base</u>					
17	Nuclear Fuel	125	\$ 125,676,192	\$ (125,676,192) (L)	\$ 0
18	Misc Deferred Debits	186	6,697,300	(1,944,163) (M)	4,753,137
19	Customer Deposits	235	(8,321,655)	0	(8,321,655)
20	Customer Advances for Construction	252	(31,754,536)	0	(31,754,536)
21	Other Regulatory Liabilities	254.3	(26,009,854)	26,009,854 (L)	0
22	Total Additions / Deductions to Rate Base		\$ 66,287,447	\$ (101,610,501)	\$ (35,323,054)
23	Total Regulatory Assets & Liabilities and other Rate Base Additions/Deductions		\$ 88,104,596	\$ (104,881,205)	\$ (16,776,609)

Justification for requested adjustment

To include adjusted amounts of Regulatory Assets and Liabilities and other Additions/Deductions in Rate Base.

- (A) To include \$3,176,288, or three-fourths, of estimated 2021 Texas rate case costs. See EPE Witness Schichtl's testimony for the proposed recovery of the current rate case costs.
- (B) To remove unamortized 2015 and 2017 Texas rate case costs of \$8,915 and \$27,342, respectively, not recovered through base rates. In addition, to include \$382,051, or three-fourths, of the 2017 Texas rate case costs deferred for consideration in this case. See EPE Witness Schichtl's testimony for the proposed recovery of these rate case costs.
- (C) On March 26, 2020, the PUCT issued in Docket No 50664, an order authorizing electric utilities to record as regulatory assets, expenses resulting from the effects of COVID-19, including but not limited to, non-payment of qualified customer bills. The Company is requesting these amounts and associated carrying costs less one-third of amortization be recovered in a separate rider. See EPE Witness Prieto's testimony.
- (D) To remove one year of amortization associated with the Company's filing of a refund tariff with the PUCT in Docket No. 48124. The tariff reduced Texas base rate charges for the decrease in federal income tax expense resulting from the TCJA.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE
 RATE BASE
 REGULATORY ASSETS AND LIABILITIES AND OTHER ADDITIONS/DEDUCTIONS
 TO RATE BASE
 SPONSOR: JENNIFER I. BORDEN
 PREPARED BY: MELODY BOISSELIER
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/ B-1
 ADJUSTMENT NO 03
 PAGE 2 OF 3

- (E) To remove one year of amortization associated with the Company's 2019 and 2020 DCRF filings, PUCT Docket No. 49395 and Docket No 51348
- (F) To remove one year of amortization associated with the Company's 2019 TCRF filing, PUCT Docket No 49148.
- (G) To remove one year of amortization associated with the Company's Texas Demand Response program costs, PUCT Docket No. 48516 See EPE Witness Schichtl's testimony for the proposed recovery of these rate case costs.
- (H) To remove assets related to Energy Efficiency recoveries, relate back surcharge, automated metering program and tax credit refund not recovered in base rates.
 - (I) To remove the unamortized NM and TX Four Corners Decommissioning regulatory asset from rate base.
 - (J) To remove the unamortized TX and NM Four Corners Coal Reclamation Regulatory asset from rate base.
 - (K) These amounts are not allocated to the Texas jurisdiction.
 - (L) To remove nuclear fuel and liabilities related to Merger credits, relate back surcharge, and MBDRF not recovered in base rates.
- (M) To adjust miscellaneous deferred debits to only include an EPWU Land Lease and an Effluent Water Agreement related to PVNGS.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE
 RATE BASE
 REGULATORY ASSETS AND LIABILITIES AND OTHER ADDITIONS/DEDUCTIONS
 TO RATE BASE
 SPONSOR: JENNIFER I BORDEN
 PREPARED BY MELODY BOISSELIER
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO. 03
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COVID-19 Deferrals

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Line	Month	Monthly Activity	Cumulative Principal Balance	Compound Interest at 7.725% ((1+0.07725)^(1/12))-1 (A)	Interest	Cumulative Interest	Cumulative Total
1	Jan-20		-	0.00622022	-	-	-
2	Feb-20		-	0.00622022	-	-	-
3	Mar-20	407,728.74	407,728.74	0.00622022	-	-	407,728.74
4	Apr-20	204,399.40	612,128.14	0.00622022	2,536.16	2,536.16	614,664.30
5	May-20	433,587.07	1,045,715.21	0.00622022	3,823.35	6,359.51	1,052,074.72
6	Jun-20	1,382,698.22	2,428,413.43	0.00622022	6,544.14	12,903.65	2,441,317.08
7	Jul-20	701,045.84	3,129,459.27	0.00622022	15,185.54	28,089.19	3,157,548.46
8	Aug-20	1,167,728.98	4,297,188.25	0.00622022	19,640.66	47,729.85	4,344,918.10
9	Sep-20	1,485,418.18	5,782,606.43	0.00622022	27,026.36	74,756.21	5,857,362.64
10	Oct-20	611,223.98	6,393,830.41	0.00622022	36,434.11	111,190.32	6,505,020.73
11	Nov-20	1,206,201.96	7,600,032.37	0.00622022	40,462.69	151,653.01	7,751,685.38
12	Dec-20	<u>545,420.83</u>	8,145,453.20	0.00622022	<u>48,217.22</u>	199,870.22	8,345,323.42
13		8,145,453.20			199,870.22		

(A) Monthly carrying cost factor is computed using the formula $(1 + i)^{1/12} - 1$, where $i = 7.725\%$, the weighted average cost of capital approved in the Final Order in EPE's 2017 Texas Rate Case, Docket No. 46831

Principal	8,145,453.20
Interest	<u>199,870.22</u>
Total Covid-19 Regulatory Asset	8,345,323.42
Amortization period	<u>3 years</u>
Amortization per year	<u>2,781,774.47</u>
Regulatory Asset pg 1	<u><u>5,563,548.95</u></u>

2/3 of Total Covid-19 Regulatory Asset

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 RATE BASE
 ACCUMULATED DEFERRED INCOME TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO. 4
 PAGE 1 OF 3

Line No.	(a) Description	(b) Amount
	Accumulated Deferred Income Taxes FERC Acct. Nos. 282, 283 & 190	
1	Balance, As Adjusted	\$ (297,469,599)
	Less:	
2	Amount Per Book	(363,676,832)
3	Adjustment	\$ 66,207,233

Justification for requested adjustment:

Accumulated Deferred Income Taxes have been adjusted to reflect the adjustments to the Company's requested rate base and cost of service.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 RATE BASE
 ACCUMULATED DEFERRED INCOME TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO. 4
 PAGE 2 OF 3

<u>Line</u> <u>No.</u>	<u>Description</u>	(a)	(b)	(c)	(d)
			Ending Balance 12/31/2020	Adjustments (A)	Total Company Adjusted Balance 12/31/2020
	FEDERAL DEFERRED DEBITS:				
	ACCOUNT 190000 ACCUM DEF INCOME TAXES				
1	AOCI Amortization of Debt Costs	\$	3,495,073	\$ -	\$ 3,495,073
2	AOCI Decommissioning Costs		(157,782)	157,782	-
3	AOCI Retirement Plans		10,873,997	-	10,873,997
4	Capitalized Construction Interest		31,998,603	(10,915,618)	21,082,985
5	Contributions in Aid of Construction		9,933,109	-	9,933,109
6	Coal Reclamation Costs		(1,562,731)	1,562,731	-
7	Decommissioning Costs		1,359,444	(1,359,444)	-
8	Deferred Fuel FERC		-	-	-
9	Deferred Fuel NM		311,589	(311,589)	-
10	Deferred Fuel TX		1	(1)	-
11	Depreciation Differences		1,154,170	-	1,154,170
12	Excess Deferred Taxes - Federal		66,762,981	-	66,762,981
13	ITC		4,944,038	(4,944,038)	-
14	NOL Carryforward - AZ		32,577	-	32,577
15	NOL Carryforward - Federal		915,842	-	915,842
16	NOL Carryforward - NM		253,354	-	253,354
17	Other		1,792,419	(27,555)	1,764,864
18	Other Employee Benefits		6,112,554	(1,432,679)	4,679,875
19	Research and Development Credit		359,621	-	359,621
20	Retirement Plans		11,142,677	-	11,142,677
21	SFAS 143 - Asset Retirement Obligation		25,435,588	(25,435,588)	-
22	Strategic Cost		2,467,119	(2,467,119)	-
23	Taxes Other Than Income Taxes		42,204	-	42,204
24	Unbilled Revenue		615,172	(615,172)	-
25	TOTAL FOR 190000 ACCUM DEF INCOME TAXES:		178,281,619	(45,788,290)	132,493,329
	FEDERAL DEFERRED CREDITS:				
	ACCOUNT 282000 ADIT-OTHER PROPERTY				
26	Allowance for Borrowed Funds Used During Construction - CWIP		(2,010,604)	2,010,604	-
27	Allowance for Equity Funds used During Construction		(24,656,619)	24,656,619	-
28	Allowance for Equity Funds used During Construction - CWIP		(1,651,138)	1,651,138	-
29	Decommissioning Costs		(27,705,089)	27,705,089	-
30	Depreciation Differences		(374,538,811)	24,356,955	(350,181,856)
31	Repair Allowance		(56,530,548)	-	(56,530,548)
32	Section 174 R&D		(12,063,894)	-	(12,063,894)
33	TOTAL FOR 282000 ADIT-OTHER PROPERTY:		(499,156,703)	80,380,405	(418,776,298)

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 RATE BASE
 ACCUMULATED DEFERRED INCOME TAXES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO 4
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		(a)	(b)	(c)	(d)
			Ending	Adjustments	Total
			Balance	(A)	Company
<u>Line</u>	<u>Description</u>		12/31/2020		Adjusted
<u>No.</u>					Balance
					12/31/2020
	FEDERAL DEFERRED OTHER.				
	ACCOUNT 283000 ACCUM DEF INC TAXES - OTHER				
34	Allowance for Equity Funds used During Construction	(7,117,193)	7,117,193	-	-
35	Allowance for Equity Funds used During Construction - CWIP	(476,694)	476,694	-	-
36	Amortization of Debt Costs	(2,942,224)	-	-	(2,942,224)
37	Decommissioning Costs	(21,166,853)	21,166,853	-	-
38	Deferred Fuel FERC	(10,480)	10,480	-	-
39	Deferred Fuel NM	(480,528)	480,528	-	-
40	Deferred Fuel TX	(2,363,370)	2,363,370	-	-
41	Excess Deferred Taxes - Fed	(3,472,230)	-	-	(3,472,230)
42	Excess Deferred Taxes - State	(3,374,957)	-	-	(3,374,957)
43	Other	(2,654,619)	-	-	(2,654,619)
44	Taxes Other Than Federal Income Taxes	1,257,400	-	-	1,257,400
45	TOTAL FOR 283000 ACCUM DEF INC TAXES - OTHER:	(42,801,748)	31,615,118	(11,186,630)	
46	TOTAL ACCUMULATED DEFERRED INCOME TAXES	\$ (363,676,832)	\$ 66,207,233	\$ (297,469,599)	

(A) Please refer to Schedule G-7.4(b) for explanations to the rate case eliminations and adjustments in column (c).

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 RATE BASE
 TAX REGULATORY ASSETS AND LIABILITIES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

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 ADJUSTMENT NO. 5
 PAGE 1 OF 2

Line No.	(a) Description	(b) Amount
	SFAS 109 Regulatory Assets & Liabilities FERC Acct. Nos. 1823 & 2543	
1	Balance, As Adjusted	\$ (267,554,000)
	Less:	
2	Amount Per Book	<u>(238,596,390)</u>
3	Adjustment	<u>\$ (28,957,610)</u>

Justification for requested adjustment:

To include adjusted amounts of Tax Regulatory Assets and Liabilities in Rate Base.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 RATE BASE
 TAX REGULATORY ASSETS AND LIABILITIES
 SPONSOR: SEAN M. IHORN
 PREPARER: TAMMY HENDERSON
 FOR THE TEST YEAR ENDED DECEMBER 31, 2020

WP/ B-1/1
 ADJUSTMENT NO. 5
 PAGE 2 OF 2

<u>Line No.</u>	<u>Description</u>	(a)	(b)	(c)	(d)
			Ending Balance 12/31/2020	Rate Case Eliminations (A)	Total Company Adjusted Balance 12/31/2020
	OTHER REGULATORY ASSETS AND LIABILITIES				
	ACCOUNT 182300 OTHER REGULATORY ASSETS				
1	Allowance for Borrowed Funds Used During Construction - CWIP		\$ -	\$ -	\$ -
2	Allowance for Equity Funds used During Construction		31,773,815	(31,773,815)	-
3	Allowance for Equity Funds used During Construction - CWIP		2,127,832	(2,127,832)	-
4	Excess Deferred Taxes - State		16,071,228	-	16,071,228
5	ITC		-	-	-
6	Federal Offset		-	-	-
7	State Deferred Income Taxes		-	-	-
8	TOTAL FOR 182300 OTHER REGULATORY ASSETS		49,972,875	(33,901,647)	16,071,228
	ACCOUNT 254300 OTHER REGULATORY LIABILITIES				
9	Excess Deferred Taxes - Federal		(283,625,228)	-	(283,625,228)
10	ITC		(4,944,037)	4,944,037	-
11	Federal Offset		-	-	-
12	State Deferred Income Taxes		-	-	-
13	TOTAL FOR 254300 OTHER REGULATORY LIABILITIES		(288,569,265)	4,944,037	(283,625,228)
14	TOTAL OTHER REGULATORY ASSETS AND LIABILITIES		\$ (238,596,390)	\$ (28,957,610)	\$ (267,554,000)

(A) Please refer to Schedule G-7.4(b) for explanations to the rate case eliminations and adjustments in column (c)

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 RATE BASE
 WORKING CAPITAL
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE YEAR ENDED DECEMBER 31, 2020

WP/B-1
 ADJUSTMENT NO.6
 PAGE 1 OF 3

Line No.	(a) Description	(b) Amount
	Working Capital	
1	Balance, As Adjusted	\$ 81,959,710
	Less:	
2	Amount Per Book	<u>86,269,914</u>
3	Adjustment	<u>\$ (4,310,204)</u>

Justification for requested adjustment:

The components of working capital are adjusted to present thirteen-month averages which are reflective of current appropriate levels.

EL PASO ELECTRIC COMPANY
 2021 TEXAS RATE CASE FILING
 RATE BASE
 WORKING CAPITAL
 SPONSOR: JENNIFER I. BORDEN
 PREPARER: ALEJANDRA MONTALVO
 FOR THE YEAR ENDED DECEMBER 31, 2020

WP/B-1
 ADJUSTMENT NO.6
 PAGE 2 OF 3

	(a)	(b)	(c)	(d)
Line No.	Description	Per Book	Adjustment (B)	As Adjusted
1	Fuel Inventory (A)	\$ 1,759,613	\$ (9,794)	\$ 1,749,819
2	Materials and Supplies (A)	65,512,878	(3,971,823)	61,541,055
3	Prepayments (A)	18,997,423	(328,587)	18,668,836
4	Total Working Capital	<u>\$ 86,269,914</u>	<u>\$ (4,310,204)</u>	<u>\$ 81,959,710</u>

(A) Per book balance per Schedule E-01.

(B) To adjust Base Period Ending balances to 13-month averages.