



## Filing Receipt

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**Control Number - 52195**  
**ItemNumber - 205**

SOAH DOCKET NO. 473-21-2606  
PUC DOCKET NO. 52195

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

EL PASO ELECTRIC COMPANY'S RESPONSE TO  
COMMISSION STAFF'S NINTH REQUEST FOR INFORMATION  
QUESTION NOS. STAFF 9-1 THROUGH STAFF 9-5

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QUESTION NOS. STAFF 9-1 THROUGH STAFF 9-5

STAFF 9-1:

Please identify the types of commercial liability insurance plans that EPE possesses.

- a) Please provide the coverage term and coverage amounts for each insurance.
- b) Please provide the deductible and premium amounts for each insurance.

RESPONSE:

El Paso Electric Company possesses two Excess Liability Insurance policies or layers both with a coverage term of June 1, 2021 to June 1, 2022. The second layer does not apply until the first coverage layer is exhausted. The requested information for each layer is as follows:

- a) First layer has a limit of liability of \$35,000,000 per occurrence and \$70,000,000 general aggregate. Second layer has a limit of liability \$50,000,000 per occurrence subject to a \$50,000,000 annual aggregate for all occurrences.
- b) Please refer to EPE's response to STAFF 9-2, Attachments 1 and 2. The deductible amount is \$1,000,000 and the annual premium amount is \$1,943,567 for the first layer and the annual premium amount is \$526,225 for the second layer.

Preparer: Nydia Torres

Title: Manager – Claims and Risk Management

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller

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QUESTION NOS. STAFF 9-1 THROUGH STAFF 9-5

STAFF 9-2:

Please provide the Commercial Insurance Declaration Page(s) for all of the commercial liability insurance plans that EPE possesses.

RESPONSE:

Please see Staff 9-2 Attachments 1 and 2, for the Excess Liability Insurance Declaration Pages for the two excess liability insurance plans that El Paso Electric Company possesses.

Preparer: Nydia Torres

Title: Manager – Claims and Risk Management

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller

## EXCESS LIABILITY INSURANCE POLICY

THIS IS AN EXCESS LIABILITY "CLAIMS-FIRST-MADE" POLICY WHICH MAY BE  
DIFFERENT FROM OTHER POLICIES INCLUDING OTHER CLAIMS-MADE POLICIES.  
PLEASE READ THE ENTIRE POLICY CAREFULLY.

*Words and phrases which appear in all capital letters have the special meanings set forth in  
Section II. Definitions*



## DECLARATIONS

POLICY NO. XL5113710P  
DECLARATIONS NO. 1

- Item 1:** NAMED INSURED:  
El Paso Electric Company  
100 N Stanton St  
El Paso, TX 79901-1463
- Item 2:** POLICY PERIOD: from the 1st day of June, 2021 to the 1st day of June, 2022, both days at 12:01 A.M. Local Time at the address of the NAMED INSURED.
- Item 3:** RETROACTIVE DATE: the 1st day of June, 1986 at 12:01 A.M. Local Time at the address of the NAMED INSURED.
- Item 4:** POLICY Premium: \$1,852,339
- Item 5:**
- A. Limit of Liability each OCCURRENCE:
    - 1. \$35,000,000\*
    - 2. \$70,000,000 General Aggregate
  - B. JOINT VENTURE Limit of Liability each OCCURRENCE:  
Per Limit of Liability Section I. (B)(9)\*
  - C. Combined PRODUCTS LIABILITY and COMPLETED OPERATIONS LIABILITY  
Aggregate Limit of Liability for the POLICY PERIOD:  
\$35,000,000\*
  - D. FAILURE TO SUPPLY LIABILITY Aggregate Limit of Liability for the POLICY PERIOD:  
\$35,000,000\*
  - E. POLLUTION LIABILITY Aggregate Limit of Liability for the POLICY PERIOD:  
\$35,000,000
  - F. MEDICAL MALPRACTICE INJURY Limit of Liability each OCCURRENCE:  
\$35,000,000\*
  - G. WILDFIRE LIABILITY Aggregate Limit of Liability for the POLICY PERIOD:  
\$35,000,000\*
- \* Subject to the \$70,000,000 General Aggregate of the POLICY



## DECLARATIONS

continued

POLICY NO. XL5113710P  
DECLARATIONS NO. 1

**Item 6:** UNDERLYING LIMITS:

- A. As listed in the attached Underlying Limits Schedule.
- B. \$1,000,000 Each OCCURRENCE:
  - (1) not covered by underlying insurance; and
  - (2) not subject to a self-insured retention listed in the attached Underlying Limits Schedule.
- C. In the event of any CLAIM(s) arising from any single OCCURRENCE which involves two or more UNDERLYING LIMITS, the UNDERLYING LIMITS shall apply in Combination.

**Item 7:** Any notice to be provided or any payment to be made hereunder to the NAMED INSURED shall be made to:

Ms. Nydia Torres  
Manager, Claims and Risk Management  
El Paso Electric Company  
100 N Stanton St  
El Paso TX 79901-1463

**Item 8:** Any notice to be provided or any payment to be made hereunder to the COMPANY shall be made to:

AEGIS Insurance Services, Inc.  
1 Meadowlands Plaza  
East Rutherford, NJ 07073

**ENDORSEMENTS ATTACHED AT POLICY ISSUANCE: 1-25**

Countersigned at **East Rutherford, New Jersey**

On \_\_\_\_\_ June 16, 2021

**AEGIS Insurance Services, Inc.**

By \_\_\_\_\_

Authorized Representative



## FOLLOWING FORM EXCESS GENERAL LIABILITY INDEMNITY POLICY DECLARATIONS

THIS IS A FOLLOWING FORM EXCESS GENERAL LIABILITY "CLAIMS-FIRST-MADE" POLICY. PLEASE READ THE ENTIRE POLICY AND THE UNDERLYING POLICY DESIGNATED IN ITEM 7 BELOW CAREFULLY.

Declarations attached to and made part of Policy Number: 254994-21GL

<b>Item 1 Member Insured:</b> El Paso Electric Company 100 North Stanton El Paso, TX 79901-1442	<b>Item 2 Policy Period:</b> From June 01, 2021 until June 01, 2022 Both days at 12:01A.M. Standard Time.
<b>Item 3 Limit of Liability:</b> <u>\$50,000,000</u> per Occurrence subject to a <u>\$50,000,000</u> Annual Aggregate for all Occurrences.	
<b>Item 4 Attachment Point:</b> Underlying Limits plus per occurrence Limits of Liability both as stated in Underlying Policy(s) listed below, but in no event less than <u>\$35,000,000</u> per Occurrence.	
<b>Item 5 Premium:</b> <u>\$501,525.00</u> prepaid for the Policy Period.	<b>Item 6 Retroactive Date:</b> June 01, 1986
<b>Item 7 Underlying Policy(s) Followed:</b> AEGIS Policy No: XL5113710P	
<b>Item 8 Endorsements Attached at Policy Issuance:</b> 01, 02, 03, 04, 05, 06	

THESE DECLARATIONS, TOGETHER WITH THE COMPLETED AND SIGNED APPLICATION AND THE POLICY FORM ATTACHED HERETO, CONSTITUTE THE INSURANCE POLICY.

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COMMISSION STAFF'S NINTH REQUEST FOR INFORMATION  
QUESTION NOS. STAFF 9-1 THROUGH STAFF 9-5

STAFF 9-3:

Please provide all of EPE' s commercial liability insurance account statements for the test year.

RESPONSE:

Please see Staff 9-3, Attachment 1 for El Paso Electric Company's commercial liability insurance account statements for June 2019 to June 2020 and June 2020 to 2021.

Preparer: Nydia Torres

Title: Manager – Claims and Risk Management

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller





**Lockbox Address for Payments**

PO Box 301513  
Dallas, TX 75303-1513

-----INVOICE-----

El Paso Electric Company  
Attn: H. Wayne Soza  
P. O. Box 982  
El Paso, TX 79960-0982

Invoice Date 05/28/19  
Invoice No. 593195  
Bill-To Code 10ELPASO  
Client Code 10ELPASO  
Inv Order No. 10\*650557

**Named Insured: EL PASO ELECTRIC COMPANY**

**Amount Remitted: \$**

Please return this portion with your payment.

**Make checks payable to: Marsh Wortham**

Effective Date	Policy Period	Coverage Description	Transaction Amount
06/01/19	06/01/19	Assoc Elec & Gas Ins Services (AEGIS)	
	to	Policy No. XL5113708P	
	06/01/20	*Renewal - Excess Liability	1,448,038.00
		Surplus Lines Tax - Excess Liability	70,229.84
		Stamping Fee - Excess Liability	2,172.06
		Invoice Number: 593195      Amount Due:	1,520,439.90
<p><b>WORK ORDER #:</b> <u>H5760090/252</u>  <b>FERC/ACCT#:</b> <u>165000</u>  <b>EXPENSE TYPE:</b> <u>000</u>  <b>COST CENTER:</b> <u>0000</u></p>			

*H. Soza*  
5/28/19

\*Premiums Due and Payable on Effective Date In U.S. Dollars



**Lockbox Address for Payments**

PO Box 301513  
Dallas, TX 75303-1513

-----INVOICE-----

El Paso Electric Company  
Attn: H. Wayne Soza  
P. O. Box 982  
El Paso, TX 79960-0982

Invoice Date 05/28/19  
Invoice No. 593205  
Bill-To Code 10ELPASO  
Client Code 10ELPASO  
Inv Order No. 10\*650572

**Named Insured:** EL PASO ELECTRIC COMPANY

**Amount Remitted:** \$

Please return this portion with your payment.

**Make checks payable to:** Marsh Wortham

Effective Date	Policy Period	Coverage Description	Transaction Amount
06/01/19	06/01/19	Energy Insurance Mutual Limited	
	to	Policy No. 25432819GL	
	06/01/20	*Renewal - Excess Liability	369,286.00
		Surplus Lines Tax - Excess Liability	17,910.37
		Stamping Fee - Excess Liability	553.93
		Invoice Number: 593205      Amount Due:	387,750.30
<p><b>WORK ORDER #:</b> <u>H57600901252</u>  <b>FERC/ACCT#:</b> <u>165000</u>  <b>EXPENSE TYPE:</b> <u>000</u>  <b>COST CENTER:</b> <u>0000</u></p>			

*6-18*  
*5/28/19*

\*Premiums Due and Payable on Effective Date In U.S. Dollars



# INVOICE

**Marsh USA Inc.**  
Houston TX  
713-276-8000

Page	1 of 2
<b>Invoice Total</b>	<b>2,080,612.80 USD</b>
<b>Invoice No.</b>	324380060364
<b>Invoice Date</b>	06/04/2020
<b>Effective Date</b>	06/01/2020
<b>Client No.</b>	3243849258
<b>Installment No.</b>	

**Billed To:**  
**El Paso Electric Company**  
Attn: Wayne Soza  
P.O. Box 982  
El Paso, TX 79960

If you are not currently receiving invoices via e-mail but would like to do so, please notify your Marsh client team.

## Remittance Copy

Marsh earns and retains interest income on premium payments held by Marsh on behalf of insurers during the period between receipt of such payments from clients and the time such payments are remitted to the applicable insurer, where permitted by law.

Detach and remit this portion with your payment

Client No.	Invoice No.	Payment Due	Invoice Total	Amount Paid
3243849258	324380060364	Immediate	2,080,612.80 USD	

**Thank you for your prompt payment.**

Please indicate Invoice Number 324380060364 on your remittance.

Additionally, for ACH or wire payments, e-mail remittance detail to: [FiduciaryserviceRequest.US@marsh.com](mailto:FiduciaryserviceRequest.US@marsh.com)

By ACH: **Bank Name:** Bank of America  
**ACH Routing No:** 071000039  
**Account Title:** Marsh USA, Inc.  
**Account Number:** 8188063077

By Wire: **Bank Name:** Bank of America  
**Wire Routing Number:** 026009593  
**Account Title:** Marsh USA, Inc.  
**Account Number:** 8188063077

By Mail: Marsh USA, Inc.  
P.O. Box 846015  
Dallas, TX 75284-6015 USA

3243800603640 020806128011



# INVOICE

**Marsh USA Inc.**  
Houston TX  
713-276-8000

**El Paso Electric Company**  
Attn: Wayne Soza  
P.O. Box 982  
El Paso, TX 79960

Billed To:

Page	2 of 2
Invoice Total	<b>2,080,612.80 USD</b>
Invoice No.	324380060364
Invoice Date	06/04/2020
Effective Date	06/01/2020
Client No.	3243849258
Installment No.	

**Original**

Policy Holder: **El Paso Electric Company**  
Billing Effective Date: **06/01/2020**

Insurer	Policy No. / Project No.	Expiration Date	Description/Type of Coverage	Item	Amount
AEGIS	XL5113709P2	06/01/2021	Umbrella Liability	PREMIUM	1,593,786.00
AEGIS	XL5113709P2	06/01/2021	Umbrella Liability	STAMPING FEE	2,390.68
AEGIS	XL5113709P2	06/01/2021	Umbrella Liability	SURPLUS LN TAX	77,298.62
ENERGY	25463120GL	06/01/2021	Excess Liability	PREMIUM	387,750.00
ENERGY	25463120GL	06/01/2021	Excess Liability	SURPLUS LN TAX	18,805.87
ENERGY	25463120GL	06/01/2021	Excess Liability	STAMPING FEE	581.63
<b>Invoice Total</b>					<b>2,080,612.80</b>

Marsh earns and retains interest income on premium payments held by Marsh on behalf of insurers during the period between receipt of such payments from clients and the time such payments are remitted to the applicable insurer, where permitted by law.

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STAFF 9-4:

Admit or deny that EPE filed any insurance claims during the test year? If admit, identify how much EPE pay toward deductibles.

RESPONSE:

El Paso Electric Company filed one claim during the test year for \$207,371.75, to the Excess Liability Insurance policy. It was related to an insured vehicle accident; therefore the \$1,000 auto deductible was applied.

Preparer: Nydia Torres

Title: Manager – Claims and Risk Management

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller

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STAFF 9-5:

Admit or deny that EPE has a reserve account that deductibles are paid from for future insurance claims.

- a) If admit, identify the current account balance.
- b) If admit, provide all the account statements for the test year for the reserve account.

RESPONSE:

El Paso Electric Company does not have a reserve account for future insurance claims.

Preparer: Nydia Torres

Title: Manager – Claims and Risk Management

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller