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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
FREEPORT-MCMORAN, INC'S FOURTH REQUEST FOR INFORMATION
QUESTION NOS. FMI 4-1 THROUGH FMI 4-4

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FMI 4-1:

Referring to the class cost-of-service study, please explain why EPE shows zero labor expenses for FERC account nos. 517 and 518 through 532.

RESPONSE:

Please refer to El Paso Electric Company's ("EPE") Schedule A-4, page 3 of 4, line 184, column (d) for \$189,579 of labor expenses related to EPE's employees, recorded to FERC account 524 – Miscellaneous Nuclear Power Expense. EPE records all costs related to the Palo Verde Generating Station ("PVGS") that are billed by Arizona Public Service Company ("APS"), the operating agent of PVGS, as operation and maintenance costs and does not break out labor costs. Therefore, only PVGS labor costs for EPE employees are recorded in FERC Account 524. All PVGS costs including PVGS labor are allocated using the 4CP A&E allocator. EPE's labor allocator would not include APS costs even if available as the labor allocator is used to allocate EPE costs not PVGS costs.

Preparer: En Li

Title: Manager – Financial Accounting

Sponsor: Adrian Hernandez
Cynthia S. Prieto

Title: Senior Rate Analyst – Rates
Vice President – Controller

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FMI 4-2:

Identify the FERC accounts nos. where labor-related nuclear O&M expenses are charged.

RESPONSE:

Please see El Paso Electric Company's response to FMI 4-1.

Preparer: En Li

Title: Manager – Financial Accounting

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller

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FMI 4-3:

Provide a schedule showing nuclear O&M expense and nuclear O&M labor expense for the test year and calendar year 2016 through 2019 by FERC account.

RESPONSE:

Please refer to El Paso Electric Company's ("EPE") response to CEP 1-11, Attachment 1, page 2 of 4, columns (b) through (f), for nuclear operation and maintenance ("O&M") expense and EPE's response to FMI 4-1 regarding how labor-related nuclear O&M expenses billed by Arizona Public Service Company are recorded by EPE. Please refer to the table below for nuclear O&M labor expense for EPE employees for the test year ended December 31, 2020 and calendar year 2016 through 2019 by FERC account.

FERC Account	Year				
	2016	2017	2018	2019	2020
524 Miscellaneous Nuclear Power Expenses (Labor)	\$ 361,111	\$ 344,891	\$ 259,080	\$ 200,558	\$ 189,579

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Title: Manager – Financial Accounting

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller

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FMI 4-4:

For the past five years, for each new transmission project, please provide the total cost of each project, the length of the transmission line for each project, and the amount of the total cost related to the acquisition of right-of-way land rights.

RESPONSE:

There is only one project in which El Paso Electric built new transmission lines in the last five years. Three new lines were constructed as part of project TL181 Montana Substation and Transmission Lines. These lines went into service during 2015 and 2016. The total costs related to the transmission lines in this project are provided below.

Project Number/Description: TL181 - MONTANA SUBSTATION AND TRANSMISSION LINES

Total Transmission Line Cost \$12,743,482

Approximate Miles 24.8

Transmission Line Right-of-Way Cost \$2,295,345

Preparer: Darcy Welch

Title: Supervisor – Financial Analysis and Planning

Sponsor: R. Clay Doyle

Title: Vice President – Transmission and Distribution