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

**APPLICATION OF EL PASO
ELECTRIC COMPANY TO
CHANGE RATES**

§
§
§

**BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS**

CONFIDENTIALITY STATEMENT UNDER
SECTION 4 OF THE PROTECTIVE ORDER

The undersigned attorney for El Paso Electric Company (“EPE”) submits this statement under the section 4 of the Protective Order entered in this case. Materials provided in CEP 16-1, Attachment 1 and CEP 16-2, Attachment 1 in City of El Paso’s 16th set of discovery are exempt from public disclosure pursuant to section 552.110 of the Public Information Act.¹

Information is confidential if it is commercial or financial information for which it is demonstrated that disclosure would cause substantial competitive harm to the person from whom the information was obtained. The information contained in CEP 16-1, Attachment 1 contains EPE employee salary and incentive pay information. The information contained in CEP 16-2, Attachment 1 contains EPE employee salary information. EPE’s employee salaries and incentive pay amounts are financial information the disclosure of which would cause substantial competitive harm to EPE and therefore such information should be designated as confidential.

The undersigned counsel for EPE has reviewed the information described above sufficiently to state in good faith that the information is exempt from disclosure under the Public Information Act and merits the highly sensitive protected materials designation given to it.

¹ Tex. Gov’t Code Ann. § 552.110.

Respectfully submitted,

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By: 
Laura B. Kennedy

**ATTORNEYS FOR EL PASO ELECTRIC
COMPANY**

CERTIFICATE OF SERVICE

I certify that a true and correct copy of this document was served by email on all parties of record on November 4, 2021.


Laura B. Kennedy

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EL PASO ELECTRIC COMPANY'S RESPONSE TO
CITY OF EL PASO'S SIXTEENTH REQUEST FOR INFORMATION
QUESTION NOS. CEP 16-1 THROUGH CEP 16-9

CEP 16-1:

El Paso Electric has offered retirement incentives to several of its employees. Please provide a list of employees that have accepted the offer (without identifying personal information) showing the base pay of the employee and the amount of the incentive offered.

RESPONSE:

90 employees accepted El Paso Electric's retirement incentive program after the test year. Please see CEP 16-1, Attachment 1-Confidential, for the list of employee position, base pay and the amount of the incentive offered:

Preparer: Robert M. Almanzan

Title: Senior Director – Human Resources

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller

EL PASO ELECTRIC COMPANY

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CEP's 13th, Q. No. CEP 16-1

Attachment 1

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PUBLIC

CEP 16-1 Attachment 1 is a CONFIDENTIAL or HIGHLY SENSITIVE PROTECTED MATERIALS attachment.

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QUESTION NOS. CEP 16-1 THROUGH CEP 16-9

CEP 16-2:

El Paso Electric has offered retirement incentives to several of its employees and explained that the employees will be replaced with other positions. Please a list of each position that will be vacated by participating employees, a brief description of the position being vacated, and the base salary of the participating employee.

RESPONSE:

Please see CEP 16-2, Attachment 1-Confidential, for a list of the position, description of position, and base salary information for each employee that accepted the retirement incentive.

Preparer: Robert M. Almanzan

Title: Senior Director – Human Resources

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller

EL PASO ELECTRIC COMPANY

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CEP's 13th, Q. No. CEP 16-2

Attachment 1

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PUBLIC

CEP 16-2 Attachment 1 is a CONFIDENTIAL or HIGHLY SENSITIVE PROTECTED MATERIALS attachment.

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QUESTION NOS. CEP 16-1 THROUGH CEP 16-9

CEP 16-3:

El Paso Electric has offered retirement incentives to several of its employees and explained that the employees will be replaced with other positions. Please a list of each position that will be filled to replace the departing employees, a brief description of the replacement position, and the base salary of the replacement position.

RESPONSE:

The majority of the retirements are scheduled to take place by the end of 2021 and El Paso Electric Company has not completed the replacement process.

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Title: Vice President – Controller

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QUESTION NOS. CEP 16-1 THROUGH CEP 16-9

CEP 16-4:

El Paso Electric has offered retirement incentives to several of its employees and explained that the employees will be replaced with other positions. If any replacements for participating employees have not been identified or quantified in response to the previous question, please provide the starting base pay for the position being vacated.

RESPONSE:

The 2022 employee headcount is budgeted at approximately 1200 employees which is comparable to the current level. Additionally, the projected salaries and wages for 2022 is higher than the salaries and wages requested in this filing.

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QUESTION NOS. CEP 16-1 THROUGH CEP 16-9

CEP 16-5:

Please provide copies of the studies and analysis performed by or for El Paso Electric that identify the financial and operational benefits of the retirement incentive offered to employees.

RESPONSE:

The Company did not perform a financial or operational study. The primary reason for offering a retirement incentive was the operational need of managing fully retirement eligible employee departures.

Preparer: Robert M. Almanzan

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Title: Vice President – Controller

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QUESTION NOS. CEP 16-1 THROUGH CEP 16-9

CEP 16-6:

Please provide the cost benefit analysis of the retirement incentive recently offered to employees.

RESPONSE:

The Company did not perform a cost benefit analysis. The primary reason for offering a retirement incentive was the operational need of managing fully retirement eligible employee departures.

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QUESTION NOS. CEP 16-1 THROUGH CEP 16-9

CEP 16-7:

Please provide the total expected cost of the early retirement program in 2021, 2022 and 2023.

RESPONSE:

El Paso Electric Company projects the cost of the retirement incentive program to be approximately \$7.2 million in 2021 and \$0.2 million in 2022.

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QUESTION NOS. CEP 16-1 THROUGH CEP 16-9

CEP 16-8:

Please provide the total expected gross savings from the early retirement program in 2021, 2022 and 2023.

RESPONSE:

The expected gross savings and net savings, if any, from the retirement incentive program are currently unknown.

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CEP 16-9:

Please provide the total expected net savings from the early retirement program in 2021, 2022 and 2023.

RESPONSE:

Please see El Paso Electric Company's response to CEP 16-8.

Preparer: Robert M. Almanzan

Title: Senior Director – Human Resources

Sponsor: Cynthia S. Prieto

Title: Vice President – Controller