

Table 1				
EECRF Comparison (\$/kWh)				
Rate	Rate Class	2024 EECRF	Proposed 2025 EECRF	Change
01	Residential Service	0.001153	0.001088	(0.000065)
02	Small Commercial Service	0.000847	0.001609	0.000762
07	Outdoor Recreational Lighting	0.003375	(0.001917)	(0.005292)
08	Governmental Street Lighting Service	-	-	-
09	Governmental Traffic Signal Service	0.000000	0.000001	0.000001
11-TOU	Time-Of-Use Municipal Pumping Service	-	-	-
15	Electrolytic Refining Service	-	-	-
21	Water Heating Service	(0.000023)	(0.000025)	(0.000002)
22	Irrigation Service	(0.002171)	(0.000350)	0.001821
24	General Service	0.001167	0.000586	(0.000581)
25	Large Power Service - Sec. Pri.	0.000495	0.000134	(0.000361)
31	Military Reservation Service	-	-	-
34	Cotton Gin Service	0.000153	0.000273	0.000120
38	Interruptible Service	-	-	-
41	City / County Service	0.002178	0.004249	0.002071

Q24. WHAT FACTORS CAUSED THE CHANGE IN EECRF TO VARY BY RATE CLASS?

A. In addition to the decrease in the 2025 proposed program budget, the increase in the 2023 performance bonus is having the most significant impact on individual rate classes. Similarly, as mentioned above with respect to factors impacting total recoverable costs, changes in the over/under-recovery have varied as well. Program costs for 2025 were assigned based on EPE's actual 2023 energy efficiency incentive costs for each class. The effects of these changes vary between rate classes and generally represent an increase for most rate classes.

Q25. HOW MUCH DO THE ENERGY EFFICIENCY PROGRAM COSTS, THE PERFORMANCE BONUS, THE PRIOR YEAR EECRF PROCEEDING EXPENSES, THE OVER- OR UNDER-RECOVERY, AND EM&V COSTS CONTRIBUTE TO THE EECRF AS PROPOSED?

A. The contribution of the individual components to each rate class's total EECRF is shown in Exhibit VHS-03E2, including the magnitude and percent contribution to the total change

for each rate class from 2024 to 2025. This exhibit shows the impact, by rate class, of changes in the amounts recovered in the EECRF and the impact of each on the total rate. The Residential rate class component breakout is shown in Table 2 below. For Residential rate class customers, the increase of the proposed program budget, proceeding expenses, and EM&V costs, net against the decrease of the allocated performance bonus and the over-recovery, result in the approximate 29.1% increase in the amount to be collected through the EECRF. The individual factors affecting all rate classes as discussed above, are the same as those observed in the residential class.

Table 2					
Residential Service - EECRF Comparison					
	Authorized 2024 EECRF	Proposed 2025 EECRF	Total Change	Percent Change	Percent Contribution to Total Change
Forecasted MWh Sales	2,610,109,065	2,731,184,074	121,075,009	4.6%	
Proposed Program Budget	\$ 2,900,640	\$ 2,680,097	\$ (220,543)	-7.6%	601.9%
	0.0000011	0.0000010	(0.0000018)		
Energy Efficiency Bonus	\$ 765,117	\$ 886,048	\$ 120,931	15.8%	-330.0%
	0.0000003	0.0000003	0.0000010		
Total EECRF Proceeding Expenses	\$ 40,893	\$ 23,621	\$ (17,272)	-42.2%	47.1%
	0.0000000	0.0000000	(0.0000001)		
(Over)/Under Recovery	\$ (728,374)	\$ (652,517)	\$ 75,858	-10.4%	-207.0%
	(0.0000003)	(0.0000002)	0.0000006		
EM&V Expenses	\$ 30,660	\$ 35,044	\$ 4,384	0.0%	-12.0%
	0.0000000	0.0000000	0.0000000		
Total Energy Efficiency Costs to be Recovered	\$ 3,008,935	\$ 2,972,293	\$ (36,642)	-1.2%	100.0%
	0.001153	0.001088	(0.0000645)		

Q26. HOW DOES THE EECRF, AS PROPOSED, AFFECT A TYPICAL EPE RESIDENTIAL CUSTOMER?

1 A. As presented in Table 1 above, the EECRF for Rate 01 - Residential Service as proposed for
2 2025 is \$0.001088per kWh, in comparison to the current rate of \$0.001153. Based on an
3 annual average usage for 2023 of 701 kWh per month, if approved as requested, a typical
4 residential customer will pay an EECRF charge in 2025 of 0.77 per month as compared to
5 \$0.81 based on the current rate of \$0.001153. This represents an approximate 4.94% decrease
6 in the EECRF rate applicable to the average residential customer, a decrease of \$0.04 per
7 month, or about a 0.04% decrease in a residential customer's current average monthly bill of
8 \$96.44, as shown in Workpaper VHS-01E2.

9
10 **V. EPE's Applicable Cost Caps**

11 Q27. DO THE COMMISSION'S RULES PROVIDE FOR A LIMITATION ON THE
12 EXPENDITURES A UTILITY MAY RECOVER FOR ENERGY EFFICIENCY
13 PROGRAMS?

14 A. Yes. 16 TAC § 25.182(d)(7) sets cost caps on the amount that can be charged to a customer
15 for recovery of costs related to energy efficiency on a per kWh basis. 16 TAC
16 § 25.182(d)(7)(C) states:

17 [f]or the 2019 program year and thereafter, the residential and commercial
18 cost caps shall be calculated to be the prior period's cost caps increased or
19 decreased by a rate equal to the most recently available calendar year's
20 percentage change in the South urban CPI, as determined by the Federal
21 Bureau of Labor Statistics.

22
23 Q28. WHAT IS THE COST CAP THAT IS APPLICABLE TO EPE FOR ITS 2025 PROGRAM
24 COSTS?

25 A. Cost caps are adjusted based on the most recently available calendar year's percentage
26 change in the CPI and are \$0.001017 and \$0.001626 for commercial and residential
27 customer groups, respectively.

28
29 Q29. HOW DOES THE TOTAL OF EPE'S 2025 EECRF COSTS THAT ARE SUBJECT TO
30 THE CAPS FOR THE RESIDENTIAL AND COMMERCIAL CUSTOMER GROUPS
31 COMPARE TO THE REGULATORY COST CAP?

1 A. EPE's 2025 EECRF costs that are subject to the cost cap for the residential customer group
2 would result in an EECRF charge of \$0.001086 per kWh, which is below the cost cap for
3 2025 of \$0.001626 per kWh. The commercial customer group would also be below the
4 2025 cost cap of \$0.001017 per kWh because EPE's 2025 EECRF costs that are subject to
5 the cap would result in an EECRF charge of \$0.000779 per kWh. Calculation of the cost
6 caps and a comparison to energy efficiency costs subject to the cap are shown in
7 Exhibit VHS-04E.

8
9 Q30. IS EPE REQUESTING THAT THE COMMISSION REVISE THE COST CAP FOR THE
10 RESIDENTIAL OR COMMERCIAL CUSTOMER GROUP?

11 A. No.

12
13 **VI. Performance Bonus**

14 Q31. IS EPE REQUESTING A PERFORMANCE BONUS IN THIS FILING?

15 A. Yes. As stated in the Direct Testimony of EPE witness Reyes, EPE has exceeded its goals
16 and, as further discussed in EPE witness Reyes' direct testimony, EPE earned an incentive
17 bonus prior to any adjustments in the amount of \$1,731,256.

18
19 Q32. WHAT IS EPE'S REQUESTED BONUS AS ESTABLISHED BY FINAL ORDER FOR
20 DOCKET NO. 48332.

21 A. After adjustments, as shown in Exhibit VHS-05E2, EPE requests a bonus of \$1,555,954.
22 As ordered in Docket No. 48332, EPE calculated a bonus reduction to account for the
23 increase in the commercial customer cap. Exhibit VHS-05E2 summarizes costs applicable
24 to determining a potential reduction of its earned bonus.

25
26 **VII. Conclusion**

27 Q33. UNDER EPE'S PROPOSAL, IS THE EECRF FOR 2025 APPROPRIATELY DESIGNED,
28 CALCULATED, AND ALLOCATED TO RATE CLASSES IN ACCORDANCE WITH
29 THE REQUIREMENTS OF PURA § 39.905 AND 16 TAC § 25.182?

30 A. Yes. The EECRF is consistent with the requirements of the statutory goal and the
31 requirements of the EE Rule. All incentive costs are allocated to appropriate rate classes

1 based on prior year actual costs, consistent with methods previously approved and the
2 bonus calculated is consistent with the method previously approved in Docket No. 48332.
3 As with the 2023 proceeding, EPE assigned 2025 EECRF costs to rate classes based on
4 experience and historical participation rates as a reasonable approach to reduce over- or
5 under-collections of program costs in subsequent proceedings.

6
7 Q34. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

8 A. Yes, it does.

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2025

Exhibit VHS-01E2

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Line No.	Rate	Applicable Rate	Rate Class	2025 Projected Metered kWh	2025 Proposed Program Budget	2023 Energy Efficiency Bonus	2023 Total EECRF Proceeding Expenses	2023 (Over)/Under Recovery ^(c)	2025 EM&V Expenses	Total Energy Efficiency Costs to be Recovered	2025 Total Rate per kWh
1	01	01	Residential Service	2,731,184,074	\$ 2,680,097	\$ 886,048	\$ 23,621	\$ (652,517)	\$ 35,044	\$ 2,972,293	\$ 0.001088
2	EVC	EVC	Electric Vehicle Charging (a)	108,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	02	02	Small Commercial Service	404,062,787	\$ 381,635	\$ 109,814	\$ 3,484	\$ 150,281	\$ 4,990	\$ 650,205	\$ 0.001609
4	07	07	Outdoor Recreational Lighting	5,754,686	\$ -	\$ -	\$ -	\$ (11,033)	\$ -	\$ (11,033)	\$ (0.001917)
5	08	08	Governmental Street Lighting Service	39,639,687	\$ -	\$ -	\$ -	\$ 14	\$ -	\$ 14	\$ -
6	09	09	Governmental Traffic Signal Service	2,841,735	\$ -	\$ -	\$ -	\$ 3	\$ -	\$ 3	\$ 0.000001
7	11	11-TOU	Time-Of-Use Municipal Pumping Service	193,722,779	\$ -	\$ -	\$ -	\$ 63	\$ -	\$ 63	\$ -
8	15		Electrolytic Refining Service	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	21	21	Water Heating Service	3,025,741	\$ -	\$ -	\$ -	\$ (74)	\$ -	\$ (74)	\$ (0.000025)
10	22	22	Irrigation Service	6,162,751	\$ -	\$ -	\$ -	\$ (2,158)	\$ -	\$ (2,158)	\$ (0.000350)
11	24	24	General Service	1,600,852,507	\$ 1,050,504	\$ 309,080	\$ 9,806	\$ (445,424)	\$ 13,736	\$ 937,702	\$ 0.000586
12	25	25	Large Power Service - Sec. Pri.	748,478,383	\$ 550,085	\$ 91,948	\$ 2,917	\$ (552,140)	\$ 7,193	\$ 100,003	\$ 0.000134
13	25T		Large Power Service- Trans.	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	26		Petroleum Refining Service	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	28		Private Area Lighting	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	30		Electric Furnace Service	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	31	31	Military Reservation Service	295,623,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	34	34	Cotton Gin Service	964,484	\$ -	\$ -	\$ -	\$ 263	\$ -	\$ 263	\$ 0.000273
19	38		Interruptible Service	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	41	41	City / County Service	248,786,003	\$ 498,891	\$ 159,064	\$ 5,047	\$ 387,559	\$ 6,523	\$ 1,057,084	\$ 0.004249
21	46/47		Cogeneration (b)	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22			Texas Total	6,281,206,915	\$ 5,161,212	\$ 1,555,954	\$ 44,876	\$ (1,125,164)	\$ 67,486	\$ 5,704,364	\$ 0.000908

(a) EPE's Long Term Budget and Sales Forecast now includes the EVC rate class for Electric Vehicle Charging.

(b) Rate combined with Rate 34 - Cotton Gin Service in accordance with 16 Tex. Admin. Code § 25.181(f)(2).

(c) The (Over) / Under recovery includes interest per amendments to TAC § 25.182, Docket No. 48692.

Amounts may not add or tie to other exhibits and or workpapers due to rounding.

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
Allocation of 2025 Proposed Energy Efficiency Budget

Line No.	Program	01 02 24 25 41						
		2025 Proposed EE Budget	Residential Service	Small Commercial Service	General Service	Large Power Service - Sec. Pri.	City / County Service	Total
1	Small Commercial Solutions MTP	\$ 481,115	\$ -	\$ 164,161	\$ 296,954	\$ -	\$ -	481,115
2	Large Commercial Plus Solutions MTP	1,490,958	\$ -	\$ 207,248	\$ 700,244	\$ 97,894	\$ 485,572	1,490,958
3	Texas SCORE MTP	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
4	Commercial Load Management SOP	460,000	\$ -	\$ -	\$ 22,495	\$ 437,505	\$ -	460,000
5	Residential Solutions MTP	315,000	\$ 315,000	\$ -	\$ -	\$ -	\$ -	315,000
6	LivingWise MTP	346,346	\$ 346,346	\$ -	\$ -	\$ -	\$ -	346,346
7	FutureWise Pilot MTP	300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	300,000
8	Texas Appliance Recycling MTP	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
9	Residential Marketplace Pilot MTP	300,000	\$ 297,199	\$ 37	\$ 2,764	\$ -	\$ -	300,000
10	Residential Load Management MTP	750,000	\$ 750,000	\$ -	\$ -	\$ -	\$ -	750,000
11	Hard-to-Reach Solutions MTP	600,000	\$ 600,000	\$ -	\$ -	\$ -	\$ -	600,000
12	Total Program Incentives	\$ 5,023,419	\$ 2,608,545	\$ 371,446	\$ 1,022,457	\$ 535,399	\$ 485,572	\$ 5,023,419
13	Administration	\$ 87,793	\$ 45,589	\$ 6,492	\$ 17,869	\$ 9,357	\$ 8,486	87,793
14	Research and Development	50,000	25,963	3,697	10,178	5,329	4,833	50,000
15	Total Program Budget	\$ 5,161,212	\$ 2,680,097	\$ 381,635	\$ 1,050,504	\$ 550,085	\$ 498,891	\$ 5,161,212

* No program allocation to non-participating rate classes Electric Vehicle Charging, Governmental Street Lighting, Governmental Traffic Signal Service, Time-Of-Use Municipal Pumping Service, Electrolytic Refining Service, Water Heating Service, Irrigation Service, Large Power Transmission Service, Petroleum Refining Service, Private Area Lighting, Electric Furnace Service, Military Reservation Service, Cotton Gin Service, Interruptible Service, or Cogeneration.

Amounts may not add or tie to other exhibits and or workpapers due to rounding.

EL PASO ELECTRIC COMPANY
 EPE's Rate Calculation for
 2025 Energy Efficiency Cost Recovery Factor (EECRF)
 2023 Energy Efficiency Bonus and Proceeding Expenses Allocation Based on 2023 Program Costs

Exhibit VHS-01E2

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Line No.	Rate	Applicable Rate	Rate Class	Actual 2023 EE Program Costs	2023 EE Bonus	2023 EPE EECRF Proceeding Expenses	Municipal EECRF Proceeding Expenses	2023 Total EECRF Proceeding Expenses
1	01	01	Residential Service	\$ 2,470,914	886,048	17,627	5,994	23,621
2	EVC	EVC	Electric Vehicle Charging (a)	-	-	-	-	-
3	02	02	Small Commercial Service	364,461	109,814	2,600	884	3,484
4	07	07	Outdoor Recreational Lighting	-	-	-	-	-
5	08	08	Governmental Street Lighting Service	-	-	-	-	-
6	09	09	Governmental Traffic Signal Service	-	-	-	-	-
7	11	11-TOU	Time-Of-Use Municipal Pumping Service	-	-	-	-	-
8	15		Electrolytic Refining Service	-	-	-	-	-
9	21	21	Water Heating Service	-	-	-	-	-
10	22	22	Irrigation Service	-	-	-	-	-
11	24	24	General Service	1,025,798	309,080	7,318	2,488	9,806
12	25	25	Large Power Service - Sec. Pri.	305,165	91,948	2,177	740	2,917
13	25T		Large Power Service- Trans.	-	-	-	-	-
14	26		Petroleum Refining Service	-	-	-	-	-
15	28		Private Area Lighting	-	-	-	-	-
16	30		Electric Furnace Service	-	-	-	-	-
17	31	31	Military Reservation Service	-	-	-	-	-
18	34	34	Cotton Gin Service	-	-	-	-	-
19	38		Interruptible Service	-	-	-	-	-
20	41	41	City / County Service	527,915	159,064	3,766	1,281	5,047
21	43		University Service	-	-	-	-	-
22	46/47		Cogeneration (b)	-	-	-	-	-
23			Totals	\$ 4,694,253	\$ 1,555,954	\$ 33,488	\$ 11,388	\$ 44,876
2023 Energy Efficiency Bonus				\$ 1,731,256				
				As Adjusted		Bonus Reduction	2023 Bonus	
2023 Residential Bonus				\$ 886,048		\$ (25,233)	\$ 911,281	
2023 Reduced Commercial Bonus				669,906		(150,069)	\$ 819,975	
2023 Energy Efficiency Bonus				\$ 1,555,954		\$ (175,302)	\$ 1,731,256	

(a) Rate combined with Rate 34 - Cotton Gin Service in accordance with 16 Tex. Admin. Code § 25.181(f)(2).

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
2023 Energy Efficiency Cost Recovery Factor Collections
and Energy Efficiency Costs By Rate Class for January through December 2023

Line No.	Rate	Applicable Rate	Rate Class	2023 EECRF Collections	Actual 2023 EE Program Costs	Program Year 2023 EM&V Review	2021 EE Bonus	2021 EECRF Proceeding Costs	2021 (Over) / Under Recovery	2023 Agreed Reduction to Costs and Voluntary Refund	Authorized 2023 (Over) / Under Recovery	2023 Interest on (Over) / Under Recovery	Authorized 2023 (Over) / Under Recovery with Interest
1	01	01	Residential Service	\$ 4,459,053	\$ 2,470,914	\$ 39,357	\$ 1,272,735	\$ 41,468	\$ 116,923	\$ (97,065)	\$ (614,722)	\$ (37,795)	\$ (652,517)
2	02	02	Small Commercial Service	171,440	364,461	4,643	70,649	3,342	(123,636)	\$ (6,442)	\$ 141,577	\$ 8,705	\$ 150,281
3	07	07	Outdoor Recreational Lighting	10,080	-	-	-	-	(1)	\$ (313)	\$ (10,394)	\$ (639)	\$ (11,033)
4	08	08	Governmental Street Lighting Service	72	-	-	-	-	85	\$ -	\$ 13	\$ 1	\$ 14
5	09	09	Governmental Traffic Signal Service	28	-	-	-	-	30	\$ -	\$ 2	\$ 0	\$ 3
6	11	11-TOU	Time-Of-Use Municipal Pumping Service	(178)	-	-	-	-	(119)	\$ -	\$ 59	\$ 4	\$ 63
7	15		Electrolytic Refining Service	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
8	21	21	Water Heating Service	(33)	-	-	-	-	(103)	\$ -	\$ (70)	\$ (4)	\$ (74)
9	22	22	Irrigation Service	15,108	-	-	3,449	163	9,463	\$ -	\$ (2,033)	\$ (125)	\$ (2,158)
10	24	24	General Service	2,286,998	1,025,798	12,700	500,808	23,683	349,366	\$ (44,782)	\$ (419,624)	\$ (25,800)	\$ (445,424)
11	25	25	Large Power Service - Sec. Pri.	1,229,891	305,165	6,065	285,723	13,517	125,120	\$ (25,859)	\$ (520,159)	\$ (31,981)	\$ (552,140)
12	25T		Large Power Service- Trans.	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
13	26		Petroleum Refining Service	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
14	28		Private Area Lighting	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
15	30		Electric Furnace Service	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
16	31	31	Military Reservation Service	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
17	34	34	Cotton Gin Service	320	-	-	-	-	567	\$ -	\$ 248	\$ 15	\$ 263
18	38		Interruptible Service	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
19	41	41	City / County Service	45,746	527,915	4,831	67,506	3,194	(187,049)	\$ (5,540)	\$ 365,111	\$ 22,448	\$ 387,559
20	46/47		Cogeneration (b)	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -
21			Totals	\$ 8,218,524	\$ 4,694,253	\$ 67,596	\$ 2,200,669	\$ 85,367	\$ 290,647	\$ (180,002)	\$ (1,059,992)	\$ (65,172)	\$ (1,125,164)

(a) Rate combined with Rate 34 - Cotton Gin Service in accordance with 16 Tex. Admin. Code § 25.181(f)(2).

Amounts may not add or tie to other exhibits and or workpapers due to rounding.

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
2023 Energy Efficiency Cost Recovery Factor Collections
and Energy Efficiency Costs By Rate Class for January through December 2021

Line No.	Rate	Applicable Rate	Rate Class	Authorized 2023 (Over) / Under Recovery	2023 Interest (A)	Subtotal (Over) / Under with 2023 Interest	2024 Interest (B)	Total 2023 (Over) / Under Recovery with Interest
1	01	01	Residential Service	\$ (614,722)	\$ (7,315)	\$ (622,037)	\$ (30,480)	\$ (652,517)
2	02	02	Small Commercial Service	141,577	1,685	143,262	7,020	150,281
3	07	07	Outdoor Recreational Lighting	(10,394)	(124)	(10,518)	(515)	(11,033)
4	08	08	Governmental Street Lighting Service	13	0	13	1	14
5	09	09	Governmental Traffic Signal Service	2	0	2	0	3
6	11	11-TOU	Time-Of-Use Municipal Pumping Service	59	1	60	3	63
7	15		Electrolytic Refining Service	-	-	-	-	-
8	21	21	Water Heating Service	(70)	(1)	(71)	(3)	(74)
9	22	22	Irrigation Service	(2,033)	(24)	(2,057)	(101)	(2,158)
10	24	24	General Service	(419,624)	(4,994)	(424,618)	(20,806)	(445,424)
11	25	25	Large Power Service - Sec. Pri.	(520,159)	(6,190)	(526,349)	(25,791)	(552,140)
12	25T		Large Power Service- Trans.	-	-	-	-	-
13	26		Petroleum Refining Service	-	-	-	-	-
14	28		Private Area Lighting	-	-	-	-	-
15	30		Electric Furnace Service	-	-	-	-	-
16	31	31	Military Reservation Service	-	-	-	-	-
17	34	34	Cotton Gin Service	248	3	251	12	263
18	38		Interruptible Service	-	-	-	-	-
19	41	41	City / County Service	365,111	4,345	369,456	18,103	387,559
20	46/47		Cogeneration (b)	-	-	-	-	-
21			Totals	\$ (1,059,992)	\$ (12,614)	\$ (1,072,606)	\$ (52,558)	\$ (1,125,164)

(A) Interest factor, rate of 0.0119 percent, pursuant to SR 25.28 (c) & (d) effective 01/01/2023.

1.19%

(B) Interest factor, rate of 0.049 percent, pursuant to SR 25.28 (c) & (d) effective 01/01/2024.

4.90%

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2025 Evaluation, Measurement and Verification Expenses (EM&V)
Applicable January through December 2025

Exhibit VHS-01E2
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Program	Sector	2025 EM&V Expenses	T-01	T-02	T-24	T-25	T-41	Total
Small Commercial Solutions MTP	Nonresidential	\$ 6,195	\$ -	\$ 2,205	\$ 3,989			\$ 6,195
Large Commercial Plus Solutions MTP	Nonresidential	\$ 20,030	\$ -	\$ 2,784	\$ 9,407	\$ 1,315	\$ 6,523	\$ 20,030
Texas SCORE MTP	Nonresidential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial Load Management SOP	Nonresidential	\$ 6,180	\$ -	\$ -	\$ 302	\$ 5,878	\$ -	\$ 6,180
Residential Solutions MTP	Residential	\$ 4,232	\$ 4,232	\$ -	\$ -	\$ -	\$ -	\$ 4,232
LivingWise MTP	Residential	\$ 4,653	\$ 4,653	\$ -	\$ -	\$ -	\$ -	\$ 4,653
FutureWise Pilot MTP	Residential	\$ 4,030	\$ 4,030	\$ -	\$ -	\$ -	\$ -	\$ 4,030
Texas Appliance Recycling MTP	Residential	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Residential Marketplace Pilot MTP	Residential	\$ 4,030	\$ 3,993	\$ 0	\$ 37	\$ -	\$ -	\$ 4,030
Residential Load Management MTP	Residential	\$ 10,076	\$ 10,076	\$ -	\$ -	\$ -	\$ -	\$ 10,076
Hard-to-Reach Solutions MTP	Residential/Nonresidential	\$ 8,061	\$ 8,061	\$ -	\$ -	\$ -	\$ -	\$ 8,061
Total		\$ 67,486	\$ 35,044	\$ 4,990	\$ 13,736	\$ 7,193	\$ 6,523	\$ 67,486

EL PASO ELECTRIC COMPANY

Exhibit VHS-02E2

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SCHEDULE NO. 97
ENERGY EFFICIENCY COST RECOVERY FACTOR

APPLICABILITY

Electric service billed under rate schedules having an Energy Efficiency Cost Recovery Factor Clause shall be subject to an Energy Efficiency Cost Recovery Factor ("EECRF"). The EECRF is not applicable to service billed at transmission voltage rates.

Pursuant to Section 25.182(d) of Title 16 of the Texas Administration Code, the EECRF allows the Company to recover the cost of energy efficiency programs from the customer classes that receive services under such programs.

TERRITORY

Texas Service Area

MONTHLY RATE

Rate No.	Description	Energy Efficiency Cost Recovery Factor (\$/kWh)	
01	Residential Service Rate	\$0.001088	(R)
EVC	Electric Vehicle Charging Rate	0.000000	
02	Small Commercial Service Rate	0.001609	(I)
07	Outdoor Recreational Lighting Service Rate	-0.001917	(R)
08	Governmental Street Lighting Service Rate	0.000000	
09	Governmental Traffic Signal Service	0.000001	(I)
11-TOU	Time-Of-Use Municipal Pumping Service Rate	0.000000	
WH	Water Heating	-0.000025	(R)
22	Irrigation Service Rate	-0.000350	(I)
24	General Service Rate	0.000586	(R)
25	Large Power Service Rate (excludes transmission)	0.000134	(R)
34	Cotton Gin Service Rate	0.000273	(R)
41	City and County Service Rate	0.004249	(I)
46	Maintenance Power Service For Cogeneration And Small Power Production Facilities	0.000273	(R)
47	Backup Power Service For Cogeneration And Small Power Production Facilities	0.000273	(R)

Section Number 1
Sheet Number 33
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Revision Number 15
Effective with bills issued on or
after January 1, 2025

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2025

Line No.	Rate	Applicable Rate	Rate Class	2025 Projected Metered kWh	2025 Proposed Program Budget	2023 Energy Efficiency Bonus	2023 Total EECRF Proceeding Expenses	2023 (Over)/Under Recovery ^(a)	2025 EM&V Expenses	Total Energy Efficiency Costs to be Recovered	2025 Total Rate per kWh
1	01	01	Residential Service	2,731,184,074	\$ 2,680,097	\$ 886,049	\$ 23,621	\$ (652,517)	\$ 35,044	\$ 2,972,294	\$ 0.001088
2	EVC	EVC	Electric Vehicle Charging	108,153	-	-	-	-	-	-	-
3	02	02	Small Commercial Service	404,062,787	381,635	109,815	3,484	150,281	4,990	\$ 650,205	0.001609
4	07	07	Outdoor Recreational Lighting	5,754,686	-	-	-	(11,033)	-	(11,033)	(0.001917)
5	08	08	Governmental Street Lighting Service	39,639,687	-	-	-	14	-	14	-
6	09	09	Governmental Traffic Signal Service	2,841,735	-	-	-	3	-	3	0.000001
7	11	11-TOU	Time-Of-Use Municipal Pumping Service	193,722,779	-	-	-	63	-	63	-
8	15		Electrolytic Refining Service	-	-	-	-	-	-	-	-
9	21	21	Water Heating Service	3,025,741	-	-	-	(74)	-	(74)	(0.000025)
10	22	22	Irrigation Service	6,162,751	-	-	-	(2,158)	-	(2,158)	(0.000350)
11	24	24	General Service	1,600,852,507	1,050,504	309,080	9,806	(445,424)	13,736	\$ 937,702	0.000586
12	25	25	Large Power Service - Sec. Pri.	748,478,383	550,085	91,948	2,917	(552,140)	7,193	\$ 100,003	0.000134
13	25T		Large Power Service- Trans.	-	-	-	-	-	-	-	-
14	26		Petroleum Refining Service	-	-	-	-	-	-	-	-
15	28		Private Area Lighting	-	-	-	-	-	-	-	-
16	30		Electric Furnace Service	-	-	-	-	-	-	-	-
17	31	31	Military Reservation Service	295,623,144	-	-	-	-	-	-	-
18	34	34	Cotton Gin Service	964,484	-	-	-	263	-	263	0.000273
19	38		Interruptible Service	-	-	-	-	-	-	-	-
20	41	41	City / County Service	248,786,003	498,891	159,064	5,047	387,559	6,523	\$ 1,067,084	0.004249
21	46/47		Cogeneration (a)	-	-	-	-	-	-	-	-
22			Texas Total	6,281,208,915	\$ 5,161,212	\$ 1,556,956	\$ 44,876	\$ (1,125,164)	\$ 67,486	\$ 5,704,366	\$ 0.000908

Line No.	Rate	Applicable Rate	Rate Class	2024 Projected Metered kWh	2024 Proposed Program Budget	2022 Energy Efficiency Bonus	2022 Total EECRF Proceeding Expenses	2022 (Over)/Under Recovery ^(a)	2024 EM&V Expenses	Total Energy Efficiency Costs to be Recovered	2024 Total Rate per kWh
1	01	01	Residential Service	2,610,109,065	\$ 2,900,840	\$ 765,117	\$ 40,893	\$ (728,374)	\$ 30,660	\$ 3,008,935	\$ 0.001153
2	EVC	EVC	Electric Vehicle Charging	89,235	-	-	-	-	-	-	-
3	02	02	Small Commercial Service	345,935,014	210,369	42,497	4,130	32,974	3,039	293,008	0.000847
4	07	07	Outdoor Recreational Lighting	5,383,179	7,541	1,712	166	8,636	111	18,166	0.003375
5	08	08	Governmental Street Lighting Service	38,487,035	-	-	-	(15)	-	(15)	-
6	09	09	Governmental Traffic Signal Service	2,698,881	-	-	-	(1)	-	(1)	-
7	11	11-TOU	Time-Of-Use Municipal Pumping Service	185,954,018	-	-	-	(60)	-	(60)	-
8	15		Electrolytic Refining Service	-	-	-	-	-	-	-	-
9	21	21	Water Heating Service	3,247,106	-	-	-	(75)	-	(75)	(0.000023)
10	22	22	Irrigation Service	5,876,844	8,184	1,600	156	(22,814)	116	(12,758)	(0.002171)
11	24	24	General Service	1,557,318,749	1,289,098	258,613	25,132	220,134	23,745	1,816,723	0.001167
12	25	25	Large Power Service - Sec. Pri.	630,622,821	596,638	95,426	9,274	(394,470)	5,009	311,876	0.000495
13	25T		Large Power Service- Trans.	-	-	-	-	-	-	-	-
14	26		Petroleum Refining Service	-	-	-	-	-	-	-	-
15	28		Private Area Lighting	-	-	-	-	-	-	-	-
16	30		Electric Furnace Service	-	-	-	-	-	-	-	-
17	31	31	Military Reservation Service	291,287,828	-	-	-	-	-	-	-
18	34	34	Cotton Gin Service	900,764	-	-	-	138	-	138	0.000153
19	38		Interruptible Service	-	-	-	-	-	-	-	-
20	41	41	City / County Service	236,001,271	324,536	71,986	6,996	105,747	4,806	514,071	0.002178
21	46/47		Cogeneration (a)	-	-	-	-	-	-	-	-
22			Texas Total	5,911,881,811	\$ 5,337,006	\$ 1,236,952	\$ 86,746	\$ (778,182)	\$ 67,486	\$ 5,950,008	\$ 0.001006

(a) Rate combined with Rate 34 - Cotton Gin Service in accordance with 16 Tex. Admin. Code § 25.181(f)(2).

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2025

Line No.	Rate	Applicable Rate	Rate Class	Change in Projected Metered kWh	Change in Proposed Program Budget	Energy Efficiency Bonus	EECRF Proceeding Expenses	Change in (Over)/Under Recovery	Change in EM&V Expenses	Energy Efficiency Costs to be Recovered	Change in EECRF Rate
1	01	01	Residential Service	121,075,009	\$ (220,543)	\$ 120,932	\$ (17,272)	\$ 75,858	\$ 4,384	\$ (36,641)	\$ (0.000065)
2	EVC	EVC	Electric Vehicle Charging	18,918	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	02	02	Small Commercial Service	58,127,773	171,266	67,318	(848)	117,307	1,951	357,197	\$ 0.000762
4	07	07	Outdoor Recreational Lighting	371,507	(7,541)	(1,712)	(166)	(18,669)	(111)	(29,200)	(0.005282)
5	08	08	Governmental Street Lighting Service	3,152,652	-	-	-	29	-	29	-
6	09	09	Governmental Traffic Signal Service	172,854	-	-	-	4	-	4	0.000001
7	11-TOU	11-TOU	Time-Of-Use Municipal Pumping Service	7,788,781	-	-	-	123	-	123	-
8	15		Electrolytic Refining Service	-	-	-	-	-	-	-	-
9	21	21	Water Heating Service	(221,385)	-	-	-	1	-	1	(0.000002)
10	22	22	Irrigation Service	285,907	(8,184)	(1,600)	(156)	20,856	(116)	10,600	0.001821
11	24	24	General Service	43,533,758	(238,594)	50,467	(15,326)	(695,558)	(10,009)	(879,020)	\$ (0.000581)
12	25	25	Large Power Service - Sec. Pri.	117,855,562	(46,553)	(3,478)	(6,356)	(157,670)	2,184	(211,673)	\$ (0.000361)
13	25T		Large Power Service- Trans.	-	-	-	-	-	-	-	-
14	26		Petroleum Refining Service	-	-	-	-	-	-	-	-
15	28		Private Area Lighting	-	-	-	-	-	-	-	-
16	30		Electric Furnace Service	-	-	-	-	-	-	-	-
17	31		Military Reservation Service	4,335,316	-	-	-	-	-	-	-
18	34	34	Cotton Gin Service	63,720	-	-	-	125	-	125	\$ 0.000120
19	38		Interruptible Service	-	-	-	-	-	-	-	-
20	41	41	City / County Service	12,784,732	174,355	87,078	(1,949)	281,812	1,717	543,014	\$ 0.002071
21	46/47		Cogeneration	-	-	-	-	-	-	-	-
22			Texas Total	369,325,104	\$ (175,795)	\$ 319,005	\$ (41,871)	\$ (346,982)	\$ (0)	\$ (245,642)	(0.000096)

Line No.	Rate	Applicable Rate	Rate Class	Change in Projected Metered kWh	Change in Proposed Program Budget	Energy Efficiency Bonus	EECRF Proceeding Expenses	Change in (Over)/Under Recovery	Change in EM&V Expenses	Energy Efficiency Costs to be Recovered	Change in EECRF Rate
1	01	01	Residential Service	4.6%	-7.6%	15.6%	-42.2%	-10.4%	14.3%	-1.2%	-5.6%
2	EVC	EVC	Electric Vehicle Charging	21.2%							
3	02	02	Small Commercial Service	16.9%	81.4%	158.4%	-15.6%	355.8%	64.2%	121.9%	90.0%
4	07	07	Outdoor Recreational Lighting	6.9%				-227.8%		-160.7%	-156.8%
5	08	08	Governmental Street Lighting Service	8.6%				-192.3%		-192.3%	#DIV/0!
6	09	09	Governmental Traffic Signal Service	6.5%				-349.4%		-349.4%	#DIV/0!
7	11-TOU	11-TOU	Time-Of-Use Municipal Pumping Service	4.2%				-205.4%		-205.4%	#DIV/0!
8	15		Electrolytic Refining Service								
9	21	21	Water Heating Service	-6.8%				-0.7%		-0.7%	8.7%
10	22	22	Irrigation Service	4.9%				-90.5%		-83.1%	-83.9%
11	24	24	General Service	2.8%	-18.5%	19.5%	-61.0%	-302.3%	-42.2%	-48.4%	-49.6%
12	25	25	Large Power Service - Sec. Pri.	18.7%	-7.8%	-3.6%	-68.5%	40.0%	43.6%	-67.9%	-72.9%
13	25T		Large Power Service- Trans.								
14	26		Petroleum Refining Service								
15	28		Private Area Lighting								
16	30		Electric Furnace Service								
17	31		Military Reservation Service	1.5%							
18	34	34	Cotton Gin Service	7.1%				90.9%		90.9%	78.4%
19	38		Interruptible Service								
20	41	41	City / County Service	5.4%	53.7%	121.0%	-27.9%	266.6%	35.7%	105.6%	95.1%
21	46/47		Cogeneration	N/A	N/A	N/A	N/A	N/A		N/A	N/A
22			Texas Total	6.2%	-3.4%	25.8%	-93.3%	30.8%	0.0%	-4.1%	-0.7%

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2025

Line No.	Rate	Applicable Rate	Rate Class	Change in Projected Metered kWh	Change in Proposed Program Budget	Change in Energy Efficiency Bonus	Change in EECRF Proceeding Expenses	Change in (Over)/Under Recovery	Change in EM&V Expenses	Change in Total Energy Efficiency Costs to be Recovered
1	01	01	Residential Service		601.90%	-330.05%	47.14%	-207.03%	-11.96%	100.00%
2	EVC	EVC	Electric Vehicle Charging							
3	02	02	Small Commercial Service		-467.42%	-183.72%	1.76%	-320.15%	-5.32%	100.00%
4	07	07	Outdoor Recreational Lighting		20.58%	4.67%	0.45%	53.68%	0.30%	100.00%
5	08	08	Governmental Street Lighting Service		0.00%	0.00%	0.00%	-0.08%	0.00%	100.00%
6	09	09	Governmental Traffic Signal Service		0.00%	0.00%	0.00%	-0.01%	0.00%	100.00%
7	11-TOU	11-TOU	Time-Of-Use Municipal Pumping Service		0.00%	0.00%	0.00%	-0.34%	0.00%	100.00%
8	15		Electrolytic Refining Service							
9	21	21	Water Heating Service		0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
10	22	22	Irrigation Service		22.34%	4.37%	0.42%	-56.37%	0.32%	100.00%
11	24	24	General Service		651.17%	-137.73%	41.83%	1816.43%	27.32%	100.00%
12	25	25	Large Power Service - Sec. Pri.		127.05%	9.48%	17.35%	430.31%	-5.96%	100.00%
13	25T		Large Power Service- Trans.							
14	26		Petroleum Refining Service							
15	28		Private Area Lighting							
16	30		Electric Furnace Service							
17	31		Military Reservation Service							
18	34	34	Cotton Gin Service		0.00%	0.00%	0.00%	-0.34%	0.00%	100.00%
19	38		Interruptible Service							
20	41	41	City / County Service		-475.85%	-237.65%	5.32%	-769.12%	-4.69%	100.00%
21	46/47		Cogeneration (a)							
22			Texas Total		71.6%	-129.9%	17.0%	141.3%	0.0%	100.0%

(a) Rate combined with Rate 34 - Cotton Gin Service in accordance with 16 Tex. Admin. Code § 25.181(f)(2).

Amounts may not add or tie to other exhibits and or workpapers due to rounding.

EL PASO ELECTRIC COMPANY
2025 Regulatory Cap Calculation
Applicable January through December 2025

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Line No.	Rate	Applicable Rate	Rate Class	2025 Projected Metered kWh	2025 Proposed Program Budget	2023 Energy Efficiency Bonus	2023 Total EECRF Proceeding Expenses	2023 (Over)/Under Recovery	EE Costs Subject to Cap	EECRF Subject to Cap	Regulatory Energy Efficiency Cap	Percent of Cap
1	01	01	Residential Service	2,731,184,074	\$ 2,680,097	\$ 886,049	\$ 23,621	\$ (652,517)	\$ 2,937,250	\$ 0.001075	\$ 0.001626	66%
2	EVC	EVC	Electric Vehicle Charging (a)	108,153	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
3	02	02	Small Commercial Service	404,062,787	\$ 381,635	\$ 108,815	\$ 3,484	\$ 150,281	\$ 645,215	\$ 0.001597	\$ 0.001017	157%
4	07	07	Outdoor Recreational Lighting	5,754,686	\$ -	\$ -	\$ -	\$ (11,033)	\$ (11,033)	\$ (0.001817)	\$ 0.001017	-189%
5	08	08	Governmental Street Lighting Service	39,639,687	\$ -	\$ -	\$ -	\$ 14	\$ 14	\$ 0.000000	\$ 0.001017	0%
6	09	09	Governmental Traffic Signal Service	2,841,735	\$ -	\$ -	\$ -	\$ 3	\$ 3	\$ 0.000001	\$ 0.001017	0%
7	11-TOD	11-TOD	Time-Of-Day Municipal Pumping Service	193,722,779	\$ -	\$ -	\$ -	\$ 63	\$ 63	\$ 0.000000	\$ 0.001017	0%
8	15		Electrolytic Refining Service	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
9	21	21	Water Heating Service (b)	3,025,741	\$ -	\$ -	\$ -	\$ (74)	\$ (74)	\$ (0.000025)	\$ 0.001017	-2%
10	22	22	Irrigation Service	6,162,751	\$ -	\$ -	\$ -	\$ (2,158)	\$ (2,158)	\$ (0.000350)	\$ 0.001017	-34%
11	24	24	General Service	1,600,852,507	\$ 1,050,504	\$ 309,080	\$ 9,806	\$ (445,424)	\$ 923,966	\$ 0.000577	\$ 0.001017	57%
12	25	25	Large Power Service - Sec. Pri.	748,478,383	\$ 550,085	\$ 91,948	\$ 2,917	\$ (552,140)	\$ 92,810	\$ 0.000124	\$ 0.001017	12%
13	25T		Large Power Service- Trans.	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
14	26		Petroleum Refining Service	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
15	28		Private Area Lighting	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
16	30		Electric Furnace Service	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
17	31	31	Military Reservation Service	295,623,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
18	34	34	Cotton Gin Service	964,484	\$ -	\$ -	\$ -	\$ 263	\$ 263	\$ 0.000273	\$ 0.001017	27%
19	38		Interruptible Service	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
20	41	41	City / County Service	248,786,003	\$ 498,891	\$ 158,064	\$ 5,047	\$ 387,559	\$ 1,050,561	\$ 0.004223	\$ 0.001017	415%
21	46/47		Cogeneration (c)	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.001017	0%
22			Texas Total	6,281,206,915	\$ 5,161,212	\$ 1,555,958	\$ 44,876	\$ (1,125,164)	\$ 5,636,880	\$ 0.000897		

							Total EE Costs to be Recovered Subject to Cap	EECRF Subject to Cap	Regulatory Energy Efficiency Cap
	Group	2025 Projected Metered kWh							
23	Total Residential Energy	2,734,190,504					\$ 2,937,176.45	\$ 0.001074	\$ 0.001626
24	Total Commercial Energy	3,547,016,411					\$ 2,699,703.51	\$ 0.000761	\$ 0.001017
25	Total	6,281,206,915					\$ 5,636,879.96		
26	Residential Water Heating Energy	3,006,430	99.36%						
27	Commercial Water Heating Energy	19,311	0.64%						
	Regulatory Energy Efficiency Cap:	2017	2018	2019	2020	2021	2022	2023	2024
28	Residential	\$ 0.001277	\$ 0.001303	\$ 0.001332	\$ 0.001351	\$ 0.001364	\$ 0.001433	\$ 0.001556	\$ 0.001626
29	Commercial	\$ 0.000799	\$ 0.000815	\$ 0.000833	\$ 0.000845	\$ 0.000853	\$ 0.000896	\$ 0.000973	\$ 0.001017
30	CPI - South Urban Area	1.105800%	2.047300%	2.224000%	1.453400%	0.964000%	5.075600%	8.576500%	4.496800%
	-Reference Plan Year Filing								

- (a) EPE's Long Term Budget and Sales Forecast now includes the EVC rate class for Electric Vehicle Charging.
(a) Water Heating Programs costs allocated to Residential and Commercial groups based on energy percentage to each group.
(b) Rate combined with Rate 34 - Cotton Gin Service in accordance with 16 of the Tex. Admin. Code § 25.181(f)(2).

Sec. 25.182 EECRF (d)(7)(C): For the 2019 program year and thereafter, the residential and commercial cost caps shall be calculated to be the prior period's cost caps increased or decreased by a rate equal to the most recently available calendar year's percentage change in the South Urban CPI, as determined by the Federal Bureau of Labor Statistics. Amounts may not add or be to other exhibits and or workpapers due to rounding.

Exhibit VHS-04E2
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El Paso Electric Company
Bonus Reduction Calculation

Exhibit VHS-05E2
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TABLE 1: Excluding Bonus:

	Component	Total	Commercial	Residential	
1	Actual 2023 Program Costs	\$ 4,694,253	\$ 2,223,339	\$ 2,470,914	
2	2021 EE Bonus	\$ 2,200,669	\$ 927,934	\$ 1,272,735	
3	2021 EPE Proceeding Expenses	\$ 85,367	\$ 43,899	\$ 41,468	
4	2021 Over Recovery	\$ 290,647	\$ 173,724	\$ 116,923	
5	Total EE Costs to be Recovered Subject to Cap	\$ 7,270,936	\$ 3,368,896	\$ 3,902,040	Sum Lines 1-4
6	Actual 2023 Billed kWh	5,719,390,286	3,071,802,232	2,647,588,054	
7	Actual Costs Subject to Cap		\$ 0.001097	\$ 0.001474	Line 5 / Line 6
8	2023 Regulatory Energy Efficiency Cap		\$ 0.000896	\$ 0.001433	
9	Ratio of Regulatory Cap to Actual Costs		81.70%	97.23%	Line 8 / Line 7
10	2023 Bonus	\$ 1,731,256	\$ 819,975	\$ 911,281	
11	2023 Bonus Reduction	\$ (175,301)	\$ (150,068)	\$ (25,233)	Line 10 - Line 12
12	2023 Reduced Bonus	\$ 1,555,955	\$ 669,907	\$ 886,048	Line 10 x Line 9

Amounts may not add or tie to other exhibits and or workpapers due to rounding.

EL PASO ELECTRIC COMPANY
 EPE's Proposed Rate Calculation for
 2025 Energy Efficiency Cost Recovery Factor (EECRF)
 Total Program Costs January through December 2023

Workpapers VHS-01E2

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	(a)	(b)	(e)	(f)	(g)	(h)
2023 EXPENSES BEFORE EM&V						
PROGRAMS	T-01	T-02	T-24	T-25	T-41	TOTAL
Small Commercial Solutions MTP	-	138,099	249,810	-	-	387,909
Large C&I Solutions MTP	-	226,345	702,087	106,914	-	1,035,346
Texas SCORE MTP	-	-	62,395	-	527,915	590,310
Commercial Load Management SOP	-	-	10,193	198,250	-	208,444
Residential Solutions MTP	379,489	-	-	-	-	379,489
Living Wise® MTP	270,695	-	-	-	-	270,695
Texas Appliance Recycling MTP	79,582	-	-	-	-	79,582
Residential Marketplace Pilot MTP	141,153	17	1,313	-	-	142,483
Residential Load Management MTP	616,234	-	-	-	-	616,234
Future Wise® MTP	344,238	-	-	-	-	344,238
Hard-to-Reach Solutions MTP	639,523	-	-	-	-	639,523
TOTAL	2,470,914	364,461	1,025,798	305,165	527,915	4,694,253

2023 ACTUAL INCENTIVES PAID						
PROGRAMS	T-01	T-02	T-24	T-25	T-41	TOTAL
Small Commercial Solutions MTP	-	134,551	243,392	-	-	377,943
Large C&I Solutions MTP	-	221,283	686,389	104,524	-	1,012,196
Texas SCORE MTP	-	-	61,277	-	518,455	579,732
Commercial Load Management SOP	-	-	9,787	190,341	-	200,128
Residential Solutions MTP	368,666	-	-	-	-	368,666
Living Wise® MTP	259,896	-	-	-	-	259,896
Texas Appliance Recycling MTP	73,985	-	-	-	-	73,985
Residential Marketplace Pilot MTP	139,138	17	1,294	-	-	140,449
Residential Load Management MTP	602,253	-	-	-	-	602,253
Future Wise® MTP	330,505	-	-	-	-	330,505
Hard-to-Reach Solutions MTP	624,745	-	-	-	-	624,745
TOTAL	2,399,189	355,852	1,002,138	294,865	518,455	4,570,499

2023 ADMIN FEES PAID						
PROGRAMS	T-01	T-02	T-24	T-25	T-41	TOTAL
Small Commercial Solutions MTP	-	2,822	5,104	-	-	7,926
Large C&I Solutions MTP	-	4,064	12,606	1,920	-	18,590
Texas SCORE MTP	-	-	906	-	7,666	8,573
Commercial Load Management SOP	-	-	315	6,129	-	6,444
Residential Solutions MTP	8,574	-	-	-	-	8,574
Living Wise® MTP	8,368	-	-	-	-	8,368
Texas Appliance Recycling MTP	5,386	-	-	-	-	5,386
Residential Marketplace Pilot MTP	1,561	0	15	-	-	1,576
Residential Load Management MTP	10,834	-	-	-	-	10,834
Future Wise® MTP	10,642	-	-	-	-	10,642
Hard-to-Reach Solutions MTP	11,753	-	-	-	-	11,753
TOTAL	57,118	6,886	18,946	8,048	7,666	98,665

2023 R & D Costs						
PROGRAMS	T-01	T-02	T-24	T-25	T-41	TOTAL
Small Commercial Solutions MTP	-	726	1,314	-	-	2,040
Large C&I Solutions MTP	-	997	3,093	471	-	4,561
Texas SCORE MTP	-	-	212	-	1,793	2,005
Commercial Load Management SOP	-	-	92	1,780	-	1,872
Residential Solutions MTP	2,249	-	-	-	-	2,249
Living Wise® MTP	2,431	-	-	-	-	2,431
Texas Appliance Recycling MTP	211	-	-	-	-	211
Residential Marketplace Pilot MTP	454	0	4	-	-	458
Residential Load Management MTP	3,147	-	-	-	-	3,147
Future Wise® MTP	3,091	-	-	-	-	3,091
Hard-to-Reach Solutions MTP	3,025	-	-	-	-	3,025
TOTAL	14,608	1,723	4,714	2,251	1,793	25,089

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
Projected Energy Efficiency Costs
Applicable January through December 2025

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Line No.	(a)	(b)	(c)	(d)
	Program	Proposed 2025 (a)	Incentives	Administration and R&D
1	Small Commercial Solutions MTP	461,115	461,115	-
2	Large Commercial Plus Solutions MTP	1,490,958	1,490,958	-
3	Texas SCORE MTP	-	-	-
4	Commercial Load Management SOP	460,000	460,000	-
5	Residential Marketplace Pilot MTP	15,000	15,000	-
6	Residential Solutions MTP	315,000	315,000	-
7	LivingWise MTP	346,346	346,346	-
8	FutureWise Pilot MTP	300,000	300,000	-
9	Texas Appliance Recycling MTP	-	-	-
10	Residential Marketplace Pilot MTP	285,000	285,000	-
11	Residential Load Management MTP	750,000	750,000	-
12	Hard-to-Reach Solutions MTP	600,000	600,000	-
13	Administration	87,793	-	87,793
14	Research and Development	50,000	-	50,000
15	Total	\$ 5,161,212	\$ 5,023,419	\$ 137,793

(a) Projected 2025 Energy Efficiency Costs Based on 2024 Energy Efficiency Plan and Report, Table 6, page 18.

EM&V Allocation

E M & V To Allocate \$67,596.22

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% Tetra Tech Assigned For Each Program At Time Of Allocation

2023	%	Assigned
Small Commercial Solutions MTP	8.13%	5,495.75
Large C&I Solutions MTP	18.18%	12,287.32
Texas SCORE MTP	7.99%	5,401.95
Commercial Load Management SOP	7.46%	5,043.12
Residential Solutions MTP	8.97%	6,060.32
Living Wise® MTP	9.69%	6,549.24
Texas Appliance Recycling MTP	0.84%	568.25
Residential Marketplace Pilot MTP	1.82%	1,233.50
Residential Load Management MTP	12.54%	8,478.98
Future Wise® MTP	12.32%	8,328.55
Hard-to-Reach Solutions MTP	12.06%	8,149.25
Total	100.0%	67,596.22

Incentives At Time Of Allocation

2023	T-01	T-02	T-24	T-25	T-41	Total
Small Commercial Solutions MTP		1,956.53	3,539.21			5,495.75
Large C&I Solutions MTP		2,686.22	8,332.26	1,268.84		12,287.32
Texas SCORE MTP			570.98		4,830.97	5,401.95
Commercial Load Management SOP			246.62	4,796.50		5,043.12
Residential Solutions MTP	6,060.32					6,060.32
Living Wise® MTP	6,549.24					6,549.24
Texas Appliance Recycling MTP	568.25					568.25
Residential Marketplace Pilot MTP	1,221.98	0.15	11.36			1,233.50
Residential Load Management MTP	8,478.98					8,478.98
Future Wise® MTP	8,328.55					8,328.55
Hard-to-Reach Solutions MTP	8,149.25					8,149.25
Total	39,356.57	4,642.91	12,700.43	6,065.34	4,830.97	67,596.22

% Of Incentives For Each Program At Time Of Allocation

2023	T-01	T-02	T-24	T-25	T-41	Total
Small Commercial Solutions MTP	0.00%	35.60%	64.40%	0.00%	0.00%	100.00%
Large C&I Solutions MTP	0.00%	21.86%	67.81%	10.33%	0.00%	100.00%
Texas SCORE MTP		0.00%	10.57%	0.00%	89.43%	100.00%
Commercial Load Management SOP	0.00%	0.00%	4.89%	95.11%	0.00%	100.00%
Residential Solutions MTP	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Living Wise® MTP	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Texas Appliance Recycling MTP	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Residential Marketplace Pilot MTP	99.07%	0.01%	0.92%	0.00%	0.00%	100.00%
Residential Load Management MTP	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Future Wise® MTP	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Hard-to-Reach Solutions MTP	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%

E M & V As Allocated

2023	T-01	T-02	T-24	T-25	T-41	Total
Small Commercial Solutions MTP	-	1,956.53	3,539.21	-	-	5,495.75
Large C&I Solutions MTP	-	2,686.22	8,332.26	1,268.84	-	12,287.32
Texas SCORE MTP	-	-	570.98	-	4,830.97	5,401.95
Commercial Load Management SOP	-	-	246.62	4,796.50	-	5,043.12
Residential Solutions MTP	6,060.32	-	-	-	-	6,060.32
Living Wise® MTP	6,549.24	-	-	-	-	6,549.24
Texas Appliance Recycling MTP	568.25	-	-	-	-	568.25
Residential Marketplace Pilot MTP	1,221.98	0.15	11.36	-	-	1,233.50
Residential Load Management MTP	8,478.98	-	-	-	-	8,478.98
Future Wise® MTP	8,328.55	-	-	-	-	8,328.55
Hard-to-Reach Solutions MTP	8,149.25	-	-	-	-	8,149.25
Total	39,356.57	4,642.91	12,700.43	6,065.34	4,830.97	67,596.22

EL PASO ELECTRIC COMPANY
 EPE's Proposed Rate Calculation for
 2025 Energy Efficiency Cost Recovery Factor (EECRF)
 Applicable January through December 2025

Line No.	Prog. No.	2025	Incentives	Admin & R&D	Total Budget
1		Commercial	\$2,427,073		\$2,427,073
1	1	Small Commercial Solutions MTP	\$461,115		\$461,115
2	2	Large Commercial Plus Solutions MTP	\$1,490,958		\$1,490,958
3	3	Texas SCORE MTP	\$0		\$0
4	4	Commercial Load Management SOP	\$460,000		\$460,000
5	5	Residential Marketplace Pilot MTP	\$15,000		\$15,000
6		Residential	\$1,996,346		\$1,996,346
7	6	Residential Solutions MTP	\$315,000		\$315,000
8	7	LivingWise MTP	\$346,346		\$346,346
9	8	FutureWise Pilot MTP	\$300,000		\$300,000
10	9	Texas Appliance Recycling MTP	\$0		\$0
11	10	Residential Marketplace Pilot MTP	\$285,000		\$285,000
12	11	Residential Load Management MTP	\$750,000		\$750,000
13		Hard-to-Reach	\$600,000		\$600,000
14	12	Hard-to-Reach Solutions MTP	\$600,000		\$600,000
15		Administration		\$87,793	\$87,793
16		Research and Development		\$50,000	\$50,000
17		Subtotal Budgets	\$5,023,419	\$137,793	\$5,161,212
18		EM&V		\$67,486	\$67,486
19		EECRF Proceeding Expenses		\$100,000	\$100,000
20		Total Budgets	\$5,023,419	\$305,279	\$5,328,698

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for

2023 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2023

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				(a)	(b)	(c)	(d)	(e)
Line No.	Rate	App Rate	2023 Billed Energy	January	February	March	April	May
1	01	01	01 - Residential Service Rate	181,810,313	241,603,144	151,178,491	144,631,936	150,987,139
2	02	02	02 - Small Commercial Service	26,388,101	38,720,478	38,710,272	18,662,812	25,364,969
3	07	07	07 - Outdoor Recreational Lighting	399,827	531,472	429,792	359,739	523,323
4	08	08	08 - Governmental Street Lighting	3,450,849	3,214,992	3,357,089	3,614,957	3,011,600
5	09	09	09 - Government Traffic Signal Service Rate	210,501	207,783	207,783	207,783	210,885
6	11TOU	11	11-TOU - Time-Of-Use Municipal	14,300,477	13,133,049	15,984,034	15,245,850	12,274,043
7	21	21	WH - Water Heating	217,281	57,437	68,142	121,009	158,750
8	22	22	22 - Irrigation Service Rate	171,517	471,576	363,979	384,482	253,953
9	24	24	24 - General Service Rate	116,529,069	139,990,044	116,087,366	132,491,170	106,082,425
10	25	25	25 - Large Power Service Rate	41,872,407	55,206,288	50,992,033	49,343,811	44,981,378
11	34	34	34 - Cotton Gin Service Rate	288,109	17,874	83,947	253,803	115,896
12	41	41	41 - City and County Service Rate	15,679,310	21,565,093	61,018,336	(29,330,794)	16,602,085
13	46/47	34	Cogeneration	0	0	0	0	0
14			Total	401,117,781	512,719,230	438,459,264	333,986,158	360,544,446

Line No.	Rate	App Rate	2023 EECRF Revenue	January	February	March	April	May
1	01	01	01 - Residential Service Rate	\$ 308,250	\$ 407,108	\$ 254,795	\$ 243,709	\$ 254,419
2	02	02	02 - Small Commercial Service	\$ 11,582	\$ 16,012	\$ 16,879	\$ 7,286	\$ 11,054
3	07	07	07 - Outdoor Recreational Lighting	\$ 753	\$ 1,001	\$ 809	\$ 677	\$ 985
4	08	08	08 - Governmental Street Lighting	\$ 7	\$ 6	\$ 7	\$ 7	\$ 6
5	09	09	09 - Government Traffic Signal Service Rate	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
6	11TOU	11	11-TOU - Time-Of-Use Municipal	\$ (14)	\$ (13)	\$ (16)	\$ (15)	\$ (12)
7	21	21	WH - Water Heating	\$ (6)	\$ (1)	\$ (2)	\$ (3)	\$ (4)
8	22	22	22 - Irrigation Service Rate	\$ 437	\$ 1,201	\$ 927	\$ 979	\$ 647
9	24	24	24 - General Service Rate	\$ 166,012	\$ 199,488	\$ 165,427	\$ 188,802	\$ 151,095
10	25	25	25 - Large Power Service Rate	\$ 83,744	\$ 111,241	\$ 102,749	\$ 99,428	\$ 90,597
11	34	34	34 - Cotton Gin Service Rate	\$ 109	\$ 7	\$ 32	\$ 96	\$ 44
12	41	41	41 - City and County Service Rate	\$ 2,381	\$ 4,249	\$ 12,021	\$ (5,778)	\$ 3,340
13	46/47	34	Cogeneration	\$ -	\$ -	\$ -	\$ -	\$ -
14			Total	\$ 571,257	\$ 740,298	\$ 553,570	\$ 535,171	\$ 512,173

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for

2023 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2023

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				(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Line No.	Rate	App Rate	2023 Billed Energy	June	July	August	September	October	November	December	2023 Total
1	01	01	01 - Residential Service Rate	139,524,423	124,772,893	163,443,384	244,808,096	371,995,120	384,531,083	347,080,077	2,646,366,099
2	02	02	02 - Small Commercial Service	24,592,903	23,584,583	28,825,066	34,846,448	45,512,026	46,718,865	45,310,297	393,014,818
3	07	07	07 - Outdoor Recreational Lighting	539,910	410,015	518,856	357,087	391,075	381,486	512,740	5,353,322
4	08	08	08 - Governmental Street Lighting	3,028,479	2,629,954	2,645,686	2,373,927	2,397,670	2,846,169	2,863,348	35,434,720
5	09	09	09 - Government Traffic Signal Service Rate	210,939	210,905	210,886	210,945	210,903	208,337	208,386	2,516,036
6	11TOU	11	11-TOU - Time-Of-Use Municipal	10,775,489	15,483,326	15,288,511	18,233,887	17,985,102	15,985,114	15,211,423	177,798,105
7	21	21	WH - Water Heating	152,927	98,082	74,762	112,997	74,965	28,132	69,320	1,229,804
8	22	22	22 - Irrigation Service Rate	330,912	812,781	688,219	578,664	629,756	695,268	550,562	5,931,669
9	24	24	24 - General Service Rate	105,655,501	106,492,238	126,797,498	140,844,813	187,817,171	173,542,673	152,645,423	1,604,975,391
10	25	25	25 - Large Power Service Rate	45,629,024	44,588,692	48,402,994	51,215,812	56,581,629	60,640,278	61,245,342	610,479,688
11	34	34	34 - Cotton Gin Service Rate	17,408	11,586	8,407	7,799	9,517	13,090	15,503	842,737
12	41	41	41 - City and County Service Rate	15,415,344	15,265,568	20,095,324	21,252,943	22,551,901	27,679,711	27,653,076	235,447,897
13	46/47	34	Cogeneration	0	0	0	0	0	0	0	0
14			Total	345,873,257	334,320,623	408,975,593	512,643,416	706,136,835	713,248,206	653,385,497	5,719,390,286

Line No.	Rate	App Rate	2023 EECRF Revenue	June	July	August	September	October	November	December	2023 Total
1	01	01	01 - Residential Service Rate	\$ 235,099	\$ 210,244	\$ 275,398	\$ 412,503	\$ 628,816	\$ 647,937	\$ 584,838	\$ 4,459,053
2	02	02	02 - Small Commercial Service	\$ 10,723	\$ 10,275	\$ 12,570	\$ 15,108	\$ 19,843	\$ 20,371	\$ 19,758	\$ 171,440
3	07	07	07 - Outdoor Recreational Lighting	\$ 1,017	\$ 772	\$ 973	\$ 672	\$ 736	\$ 718	\$ 966	\$ 10,080
4	08	08	08 - Governmental Street Lighting	\$ 6	\$ 5	\$ 5	\$ 5	\$ 5	\$ 6	\$ 6	\$ 72
5	09	09	09 - Government Traffic Signal Service Rate	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 28
6	11TOU	11	11-TOU - Time-Of-Use Municipal	\$ (11)	\$ (16)	\$ (15)	\$ (18)	\$ (18)	\$ (16)	\$ (15)	\$ (178)
7	21	21	WH - Water Heating	\$ (4)	\$ (3)	\$ (2)	\$ (3)	\$ (2)	\$ (1)	\$ (2)	\$ (33)
8	22	22	22 - Irrigation Service Rate	\$ 843	\$ 2,070	\$ 1,753	\$ 1,474	\$ 1,604	\$ 1,771	\$ 1,402	\$ 15,108
9	24	24	24 - General Service Rate	\$ 150,562	\$ 151,750	\$ 180,689	\$ 200,707	\$ 267,642	\$ 247,301	\$ 217,522	\$ 2,288,998
10	25	25	25 - Large Power Service Rate	\$ 91,943	\$ 89,846	\$ 97,532	\$ 103,200	\$ 114,012	\$ 122,190	\$ 123,409	\$ 1,229,891
11	34	34	34 - Cotton Gin Service Rate	\$ 7	\$ 4	\$ 3	\$ 3	\$ 4	\$ 5	\$ 6	\$ 320
12	41	41	41 - City and County Service Rate	\$ 3,037	\$ 3,007	\$ 3,959	\$ 4,187	\$ 4,443	\$ 5,453	\$ 5,448	\$ 45,746
13	46/47	34	Cogeneration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14			Total	\$ 493,223	\$ 487,959	\$ 572,868	\$ 737,841	\$ 1,035,088	\$ 1,045,738	\$ 953,336	\$ 8,218,524

Line No.	Rate	Group Rate	Rate Class	2025 Projected Metered kWh
1	01	01	Residential Service	2,731,184,074
2	EVC	EVC	Electric Vehicle Charging	108,153
3	02	02	Small Commercial Service	404,062,787
4	07	07	Outdoor Recreational Lighting	5,754,686
5	08	08	Governmental Street Lighting Service	39,639,687
6	09	09	Governmental Traffic Signal Service	2,841,735
7	11-TOU	11-TOU	Time-Of-Use Municipal Pumping Service	193,722,779
8	15		Electrolytic Refining Service	53,207,399
9	21	21	Water Heating Service	3,025,741
10	22	22	Irrigation Service	6,162,751
11	24	24	General Service	1,600,852,507
12	25	25	Large Power Service - Sec. Pri.	748,478,383
13	25T		Large Power Service- Trans.	7,853,424
14	26		Petroleum Refining Service	445,086,554
15	28	28	Private Area Lighting	22,648,892
16	30		Electric Furnace Service	19,032,853
17	31	31	Military Reservation Service	295,623,144
18	34	34	Cotton Gin Service	964,484
19	38		Interruptible Service	270,878,315
20	41	41	City / County Service	248,786,003
21	45		Cogen Supplemental	-
22	46/47	46/47	Cogeneration - Maintenance and Backup	-
23			Texas Total	<u>7,099,914,353</u>

Line No.	Rate	Group Rate	Rate Class	2025 Projected Metered kWh
24	TXRT01	1	Residential	2,731,184,074
25	EVC	EVC	Electric Vehicle Charging	108,153
26	TXRT02	2	Small Commercial Service	404,062,787
27	TXRT07	7	Outdoor Recreational Lighting	5,700,444
28	TXRT07	7	Outdoor Recreational Lighting - Primary	54,243
29	TXRT08	8	Street Lighting	39,639,687
30	TXRT09	9	Traffic Signals	2,841,735
31	TXRT11TU	11TOU	Muni Water Pumping TOU	140,548,018
32	TXRT11TU	11TOU	Muni Water Pumping TOU - Primary	53,174,761
33	TXRTWH	WH	Water Heating	3,025,741
34	TXRT15	15	Electrolytic Refining	53,207,399
35	TXRT22	22	Irrigation	6,162,751
36	TXRT24	24	General Service	1,563,129,431
37	TXRT24	24	General Service - Primary	37,723,077
38	TXRT25	25	Large Power Service	480,681,618
39	TXRT25	25	Large Power Service - Primary	267,796,766
40	TXRT25	25	Large Power Service - Transmission	7,853,424
41	TXRT26	26	Petroleum Refinery	445,086,554
42	TXRT28	28	Area Lighting Service	22,648,892
43	TXRT30	30	Electric Furnace	19,032,853
44	TXRT31	31	M R & D	295,623,144
45	TXRT34	34	Cotton Gin	964,484
46	TXRT38	38	Interruptible Large Power Service - Primary	43,655,113
47	TXRT38	38	Interruptible Large Power Service - Transmission	227,223,202
48	TXRT41	41	City and County Service	218,616,515
49	TXRT41	41	City and County Service - Primary	30,169,488
	TXRT43	43	State University - Primary	-
50	TXRT45	45	Cogen Supplemental	-
51	TXRT46	46	Cogen Maintenance, Backup & Interruptible	-
				<u>7,099,914,353</u>

El Paso Electric Company
Forecasted Energy by Rate Code
For the Program Year Period Ended Dec 2025

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Rate Code	Rate No.	Fuel Type Rate Code Description	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Total
		KWH													
TXRT01	1	S Residential	198,793,758	162,814,452	152,491,691	143,166,146	181,554,388	284,214,584	366,043,343	373,258,339	322,789,950	235,258,996	151,922,278	158,876,150	2,731,184,074
TXEVC	EVC	S Electric Vehicle Charging	8,487	7,491	5,392	5,768	6,328	9,448	8,728	9,589	14,204	12,970	9,519	10,230	108,153
TXRT02	2	S Small Commercial Service	28,311,140	26,298,523	27,341,396	26,328,970	30,089,150	37,913,621	44,428,755	46,765,494	43,225,707	35,962,632	28,652,201	28,745,199	404,062,787
TXRT07	7	S Outdoor Recreational Lighting	381,795	464,676	527,088	405,315	466,291	427,124	379,933	419,834	536,914	587,294	584,815	509,366	5,700,444
TXRT07	7	P Outdoor Recreational Lighting - Primary	5,989	7,326	6,627	694	513	1,692	912	2,375	7,207	8,582	5,872	6,442	54,243
TXRT08	8	S Street Lighting	3,877,697	3,384,207	3,414,004	3,019,577	3,074,094	2,649,107	2,823,641	3,090,939	3,128,267	3,551,890	3,639,899	3,986,365	39,639,687
TXRT09	9	S Traffic Signals	238,412	237,604	238,135	237,962	237,862	238,177	236,363	235,427	235,785	235,292	235,211	235,504	2,841,735
TXRT11TU	11TOU	S Muni Water Pumping TOU	11,358,128	10,380,724	9,764,293	11,522,932	13,511,714	13,582,393	11,413,789	11,464,761	12,781,699	12,057,372	11,602,426	11,107,788	140,548,018
TXRT11TU	11TOU	P Muni Water Pumping TOU - Primary	4,107,494	4,146,755	5,262,430	3,641,870	4,490,556	5,610,790	4,566,662	4,441,186	4,644,273	4,254,085	4,014,331	3,994,328	53,174,761
TXRT15	15	T Electrolytic Refining	4,081,754	3,897,902	4,123,496	4,425,478	4,813,385	4,714,113	4,401,518	5,042,593	4,363,306	4,913,373	4,466,946	3,963,535	53,207,309
TXRTWH	WH	S Water Heating	371,779	325,524	323,460	274,186	237,107	230,671	198,522	174,590	192,505	193,910	223,910	279,577	3,025,741
TXRT22	22	S Irrigation	205,939	193,877	375,038	825,853	707,361	881,848	603,471	640,338	458,855	573,149	387,504	309,520	6,162,751
TXRT24	24	S General Service	115,007,928	104,945,898	108,877,085	110,245,935	124,216,377	147,431,158	164,845,319	168,506,093	159,013,949	137,097,351	114,640,053	108,302,338	1,563,129,431
TXRT24	24	P General Service - Primary	2,767,850	2,511,583	2,374,659	2,391,621	3,110,005	3,782,997	4,372,911	4,430,203	4,081,450	3,287,250	2,258,589	2,353,948	37,723,077
TXRT25	25	S Large Power Service	33,301,045	35,212,682	35,703,777	37,077,666	39,453,633	42,565,835	46,414,717	46,583,483	45,856,520	42,713,435	38,962,993	36,835,831	480,681,618
TXRT25	25	P Large Power Service - Primary	19,967,001	19,130,155	19,846,287	20,459,579	20,749,185	22,784,853	25,633,681	26,577,749	26,803,314	24,377,126	21,790,128	20,878,958	287,798,766
TXRT25	25	T Large Power Service - Transmission	689,641	595,235	602,806	648,886	617,516	650,850	745,054	614,445	626,746	690,333	693,523	680,789	7,853,424
TXRT26	26	T Petroleum Refinery	38,149,533	34,892,031	33,506,919	35,879,084	33,914,818	43,406,359	38,729,113	41,385,059	38,731,375	38,556,585	36,896,132	36,439,346	445,086,554
TXRT28	28	S Area Lighting Service	2,313,262	1,995,215	2,003,732	1,759,779	1,678,181	1,529,914	1,619,152	1,723,720	1,784,126	1,991,120	2,058,355	2,194,336	22,648,892
TXRT30	30	T Electric Furnace	1,534,459	1,421,069	1,716,949	1,813,220	1,896,581	1,709,726	1,696,537	1,354,174	1,349,613	1,581,687	1,721,333	1,838,917	19,032,863
TXRT31	31	T M R & D	23,740,571	23,738,411	21,994,470	22,001,664	25,201,324	26,149,699	27,408,917	26,476,360	28,177,276	24,644,184	22,923,615	23,166,853	295,623,144
TXRT34	34	S Cotton Gin	375,536	96,335	16,089	11,618	14,374	21,230	8,065	7,803	8,916	10,433	146,268	248,750	964,484
TXRT38	38	P Interruptible Large Power Service - Primary	2,803,430	2,698,087	2,658,964	2,602,482	2,833,519	4,483,898	6,117,928	5,777,534	4,481,409	3,642,004	2,818,541	2,757,306	43,855,113
TXRT38	38	T Interruptible Large Power Service - Transmission	15,343,702	14,320,859	15,763,527	18,491,584	19,107,492	22,013,877	26,054,194	20,440,165	20,984,059	19,399,095	18,511,972	16,785,474	227,223,202
TXRT41	41	S City and County Service	14,509,061	15,403,941	15,056,045	14,766,264	18,041,111	20,570,385	20,110,930	24,922,959	25,086,025	19,757,930	15,630,114	14,761,751	218,616,515
TXRT41	41	P City and County Service - Primary	2,037,639	2,102,628	2,056,289	2,142,581	2,305,600	2,724,992	3,033,550	3,124,055	3,174,466	2,857,409	2,425,208	2,186,280	30,169,488
TXRT43	43	S State University	-	-	-	-	-	-	-	-	-	-	-	-	-
TXRT43	43	P State University - Primary	-	-	-	-	-	-	-	-	-	-	-	-	-
TXRT45	45	P Cogen Supplemental	-	-	-	-	-	-	-	-	-	-	-	-	-
TXRT46	46	P Cogen Maintenance, Backup & Interruptible	-	-	-	-	-	-	-	-	-	-	-	-	-
		Total KWH	524,283,120	471,222,701	465,848,442	463,745,313	532,125,357	690,278,938	801,894,636	817,475,810	749,538,506	616,215,076	486,031,776	481,264,879	7,089,914,383

EL PASO ELECTRIC COMPANY
EPE's Proposed Rate Calculation for
2025 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2023

Line No.	MONTH	DATE	NAME	HOURS	RATE	TOTAL
1	TOTAL EPE					\$ 33,488
2	TOTAL CITY OF EL PASO					\$ 11,388
3	GRAND TOTAL					<u>\$ 44,876</u>

EL PASO ELECTRIC COMPANY
EPE's Rate Calculation for
2023 Energy Efficiency Cost Recovery Factor (EECRF)
Applicable January through December 2023

Workpapers VHS-01E2
Page 10 of 12

Line No.	Rate	Applicable Rate	Rate Class	2023 Projected Metered kWh	2023 Proposed Program Budget	2021 Energy Efficiency Bonus	2021 Total EECRF Proceeding Expenses	2021 (Over)/Under Recovery	2023 EM&V Expenses	Settlement Reduction	Total Energy Efficiency Costs to be Recovered	2023 Total Rate per kWh
1	01	01	Residential Service	2,516,954,884	\$ 2,871,801	\$ 1,272,735	\$ 41,468	\$ 116,923	\$ 38,277	\$ (97,085)	\$ 4,242,138	\$ 0.001685
2	EVC	EVC	Electric Vehicle Charging (a)	51,482	-	-	-	-	-	-	-	-
3	02	02	Small Commercial Service	313,872,394	190,578	70,849	3,342	(123,638)	2,408	(8,442)	136,897	0.000436
4	07	07	Outdoor Recreational Lighting	4,764,835	9,281	-	-	(1)	-	(313)	8,967	0.001882
5	08	08	Governmental Street Lighting Service	35,910,372	-	-	-	85	-	-	85	0.000002
6	09	09	Governmental Traffic Signal Service	2,703,300	-	-	-	30	-	-	30	0.000011
7	11	11-TOU	Time-Of-Use Municipal Pumping Service	184,473,109	-	-	-	(119)	-	-	(119)	(0.000001)
8	15		Electrolytic Refining Service	-	-	-	-	-	-	-	-	-
9	21	21	Water Heating Service	5,123,111	-	-	-	(103)	-	-	(103)	(0.000020)
10	22	22	Irrigation Service	5,179,843	-	3,449	163	9,463	117	-	13,192	0.002547
11	24	24	General Service	1,523,082,970	1,324,953	500,808	23,683	349,388	18,736	(44,782)	2,170,584	0.001425
12	25	25	Large Power Service - Sec. Pri.	582,181,233	765,044	285,723	13,517	125,120	9,664	(25,859)	1,173,210	0.002015
13	25T		Large Power Service- Trans.	-	-	-	-	-	-	-	-	-
14	26		Petroleum Refining Service	-	-	-	-	-	-	-	-	-
15	28		Private Area Lighting	-	-	-	-	-	-	-	-	-
16	30		Electric Furnace Service	-	-	-	-	-	-	-	-	-
17	31	31	Military Reservation Service	299,005,308	-	-	-	-	-	-	-	-
18	34	34	Cotton Gin Service	1,495,935	-	-	-	567	-	-	567	0.000379
19	38		Interruptible Service	-	-	-	-	-	-	-	-	-
20	41	41	City / County Service	223,382,430	163,897	67,506	3,194	(187,049)	2,070	(5,540)	44,078	0.000197
21	48/47		Cogeneration (b)	-	-	-	-	-	-	-	-	-
22			Texas Total	5,698,181,207	\$ 5,325,552	\$ 2,200,669	\$ 85,367	\$ 290,647	\$ 67,272	\$ (180,002)	\$ 7,789,506	\$ 0.001367

(a) EPE's Long Term Budget and Sales Forecast now includes the EVC rate class for Electric Vehicle Charging.

(b) Rate combined with Rate 34 - Cotton Gin Service in accordance with 18 Tex. Admin. Code § 25.181(f)(2).

(c) The (Over) / Under recovery includes interest per amendments to TAC § 25.182, Docket No. 48692.

Amounts may not add or tie to other exhibits and or workpapers due to rounding.

EL PASO ELECTRIC COMPANY
COMPARISON OF TYPICAL TEXAS RESIDENTIAL BILLS

Workpapers VHS-01E2

Page 11 of 12

(a) ANNUAL AVERAGE BILL		(b)	(c)	(d)	(e)	(f)
		Typical Residential Bill - Annual Average (January - December)				
Line No.	Description	kWh	Current	Proposed	\$ Change	% Change
1	Customer Charge	-----	\$ 9.25	\$ 9.25	\$ -	0.00%
2	Energy Charge	701	\$ 69.64	\$ 69.64	\$ -	0.00%
3	Subtotal - Non-Fuel Base Charges		\$ 78.89	\$ 78.89	\$ -	0.00%
4	EADIT	701	\$ (1.00)	\$ (1.00)	\$ -	0.00%
5	RPRF	701	\$ 0.92	\$ 0.92	\$ -	0.00%
6	COVID-19	701	\$ 0.28	\$ 0.28	\$ -	0.00%
7	MBDRF	-----	\$ 0.45	\$ 0.45	\$ -	0.00%
8	RCES	701	\$ 0.19	\$ 0.19	\$ -	0.00%
9	EECRF	701	\$ 0.81	\$ 0.77	\$ (0.04)	-4.94%
10	Fuel Charge	701	\$ 11.32	\$ 11.32	\$ -	0.00%
11	AMS Surcharge	-----	\$ 2.03	\$ 2.03	\$ -	0.00%
12	GCRR	701	\$ 2.55	\$ 2.55	\$ -	0.00%
13	Total Bill @ 701 kWh		\$ 96.44	\$ 96.40	\$ (0.04)	-0.04%

Amounts may not add or tie to other exhibits and or workpapers due to rounding.

EL PASO ELECTRIC COMPANY
COMPARISON OF TYPICAL TEXAS RESIDENTIAL BILLS - SUMMER / WINTER

Exhibit RFG-1E2
Page 38 of 38

Workpapers VHS-01E2
Page 12 of 12

(a)		(b)	(c)	(d)	(e)	(f)
		Typical Residential Bill - Summer				
		(May - October)				
Line No.	Description	kWh	Current	Proposed	\$ Change	% Change
1	Customer Charge	-----	\$ 9.25	\$ 9.25	\$ -	0.00%
2	Energy Charge	897	\$ 93.05	\$ 93.05	\$ -	0.00%
3	Subtotal - Non-Fuel Base Charges		\$ 102.30	\$ 102.30	\$ -	0.00%
4	EADIT	897	\$ (1.27)	\$ (1.27)	\$ -	0.00%
5	RPRF	897	\$ 1.18	\$ 1.18	\$ -	0.00%
6	COVID-19	897	\$ 0.35	\$ 0.35	\$ -	0.00%
7	MBDRF	-----	\$ 0.57	\$ 0.57	\$ -	0.00%
8	RCES	897	\$ 0.24	\$ 0.24	\$ -	0.00%
9	EECRF	897	\$ 1.03	\$ 0.98	\$ (0.05)	-4.85%
10	Fuel Charge	897	\$ 14.49	\$ 14.49	\$ -	0.00%
11	AMS Surcharge	-----	\$ 2.03	\$ 2.03	\$ -	0.00%
12	GCRR	897	\$ 3.27	\$ 3.27	\$ -	0.00%
13	Total Bill @ 897 kWh		\$ 124.19	\$ 124.14	\$ (0.05)	-0.04%

		Typical Residential Bill - Winter				
		(November - April)				
Line No.	Description	kWh	Current	Proposed	\$ Change	% Change
14	Customer Charge	-----	\$ 9.25	\$ 9.25	\$ -	0.00%
15	Energy Charge	504	\$ 46.22	\$ 46.22	\$ -	0.00%
16	Subtotal - Non-Fuel Base Charges		\$ 55.47	\$ 55.47	\$ -	0.00%
17	EADIT	504	\$ (0.72)	\$ (0.72)	\$ -	0.00%
18	RPRF	504	\$ 0.66	\$ 0.66	\$ -	0.00%
19	COVID-19	504	\$ 0.20	\$ 0.20	\$ -	0.00%
20	MBDRF	-----	\$ 0.32	\$ 0.32	\$ -	0.00%
21	RCES	504	\$ 0.13	\$ 0.13	\$ -	0.00%
22	EECRF	504	\$ 0.58	\$ 0.55	\$ (0.03)	-5.17%
23	Fuel Charge	504	\$ 8.14	\$ 8.14	\$ -	0.00%
24	AMS Surcharge	-----	\$ 2.03	\$ 2.03	\$ -	0.00%
25	GCRR	504	\$ 1.83	\$ 1.83	\$ -	0.00%
26	Total Bill @ 504 kWh		\$ 68.64	\$ 68.61	\$ (0.03)	-0.04%

**APPLICATION OF EL PASO
ELECTRIC COMPANY FOR
APPROVAL TO REVISE ITS
ENERGY EFFICIENCY COST
RECOVERY FACTOR**

§
§
§
§
§
§
§

PUBLIC UTILITY COMMISSION

OF

TEXAS

**AFFIDAVIT OF BRET J. SLOCUM
CONCERNING EL PASO ELECTRIC COMPANY LEGAL EXPENSES
FOR 2023 EECRF PROCEEDING**

STATE OF TEXAS

§
§
§

COUNTY OF TRAVIS

BEFORE ME, the undersigned authority, on this day personally appeared Bret J. Slocum, who being by me first duly sworn, on oath, deposed and said the following:

My name is Bret J. Slocum. I am over the age of twenty-one years, am of sound mind, have personal knowledge of the statements made herein, and the facts are true and correct. I am competent to make this Affidavit.

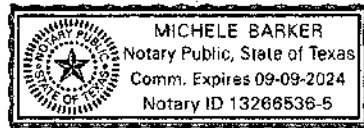
1. I am a partner at the law firm of Duggins Wren Mann & Romero, LLP. I have practiced law for over forty years, including many cases before the Public Utility Commission of Texas.
2. Attached to this Affidavit as Exhibit A are copies of the pertinent monthly billings to El Paso Electric (EPE) for work done on last year's EPE Energy Efficiency Cost Recovery Factor (EECRF) proceeding, Docket 54950. The billings provide detail of what task was being addressed for the time billed, and therefore, indicate the time billed for any specific issue or issues in last year's proceeding, which would also indicate the amount of rate-case expenses reasonably associated with each issue.


3. I have reviewed the billings at the time they were sent to EPE and more recently. The billings included in Attachment A were only for my time spent working on EPE's EECRF filing. The billings do not contain any duplicate charges or charges that were reimbursed in another manner. The charges were all for representation of EPE in its EECRF application in 2023 before the Public Utility Commission of Texas, starting with putting together the application through final resolution before the Commission. The total amount of the billings contained in Exhibit A is \$33,488.00.
4. The 2023 EECRF proceeding involved EPE's request to adjust its EECRF pursuant to the Commission's Energy Efficiency rules, 16 Tex. Admin. Code §§25.181 and 25.183. As EPE's application in that case reflects, EPE is a vertically integrated utility that served approximately 340,000 customers in Texas. In the 2023 proceeding, EPE requested an EECRF to recover \$5,998,338, including a performance bonus of \$1,246,737. The Commission's Energy Efficiency rule is fairly complicated with many interrelated parts and requires that the utility address a substantial number of topics. In EPE's 2023 EECRF proceeding, there were very few Requests for Information. However, the City of El Paso challenged certain costs and recommended an adjustment to the performance bonus. The parties requested a suspension of the schedule in order to discuss settlement. After a few weeks of negotiations, the parties were ultimately able to reach a settlement.
5. I am generally familiar with what other attorneys with comparable experience charge for the type of work involved in a proceeding before the Public Utility Commission. The hourly rates charged by me contained in these billings are within the range of what others with comparable experience and expertise charge on an hourly basis.

6. Given the level of complexity of the proceeding and the issues involved, the time charges for the various tasks were reasonable, and the total of the time spent on EPE's EECRF filing was reasonable.


Bret J. Slocum

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public, in and for the State of Texas, this 1st day of May 2024.




Notary Public in and for the State of Texas

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149

Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

April 13, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 39453
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: March 31, 2023

Total Services	\$5,687.50
Total Current Charges	\$5,687.50
Total Due This Invoice	\$5,687.50
Previous Balance	\$0.00
PAY THIS AMOUNT	\$5,687.50

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Austin, TX 78767

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April 13, 2023

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P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: March 31, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
03/06/2023	BJS	Communicate w/N. Gordon re expenses.	0.10	455.00	45.50
03/13/2023	BJS	Review Energy Efficiency Plan and Report.	1.80	455.00	819.00
03/14/2023	BJS	Conference call w/N. Castillo and others re Energy Efficiency Plan and Report.	0.70	455.00	318.50
03/14/2023	BJS	Communicate w/N. Gordon re municipal expenses.	0.10	455.00	45.50
03/14/2023	BJS	Review DWMR 2023 billings for 2022 EECRF for preparation of exhibit.	1.60	455.00	728.00
03/15/2023	BJS	Verify proceeding expenses for 2022.	0.30	455.00	136.50
03/15/2023	BJS	Communicate w/D. Machuca re proceeding expenses.	0.10	455.00	45.50
03/28/2023	BJS	Evaluate D. Machuca questions re Energy Efficiency Plan and Report.	0.80	455.00	364.00

Client: 000018
 Matter: 000018-000254
 Invoice#: 39453
 Resp Atty: BJS

Date	Person	Description of Services	Hours	Rate	Amount
03/28/2023	BJS	Communicate w/D. Machuca re her questions.	0.20	455.00	91.00
03/29/2023	BJS	Review draft Energy Efficiency Plan and Report.	1.10	455.00	500.50
03/29/2023	BJS	Conference call w/N. Castillo and others re Energy Efficiency Plan and Report.	0.40	455.00	182.00
03/30/2023	BJS	Review proposed revisions to Energy Efficiency Plan and Report.	0.30	455.00	136.50
03/30/2023	BJS	Review C. Enoch testimony.	1.90	455.00	864.50
03/31/2023	BJS	Further review of C. Enoch testimony.	0.50	455.00	227.50
03/31/2023	BJS	Conference call w/N. Castillo and others re C. Enoch testimony.	0.50	455.00	227.50
03/31/2023	BJS	Evaluate options for addressing requirement to address implementer incentives.	2.10	455.00	955.50
Total Professional Services:			12.50		5,687.50

Client:	000018
Matter:	000018-000254
Invoice#:	39453
Resp Atty:	BJJ

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	12.50	455.00	5,687.50
Total Services				\$5,687.50
Total Disbursements				\$0.00
Total Current Charges				\$5,687.50
Total Due This Invoice				\$5,687.50
Previous Balance				\$0.00
PAY THIS AMOUNT				\$5,687.50

INFORMATION

All lawyers in Texas have an obligation to maintain a high standard of ethical conduct toward their clients and others. To enforce this standard the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. If you should have any complaints please call the State Bar of Texas at 1-800-932-1900 toll free.

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149

Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

May 10, 2023

Client:	000018
Matter:	000018-000254
Invoice#:	39582
Resp Atty:	BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: April 30, 2023

Total Services	\$5,050.50
Total Current Charges	\$5,050.50
Total Due This Invoice	\$5,050.50
Previous Balance	\$5,687.50
PAY THIS AMOUNT	\$10,738.00

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

May 10, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 39582
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: April 30, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
04/03/2023	BJS	Communications w/N. Castillo re status of testimonies.	0.20	455.00	91.00
04/03/2023	BJS	Review V. Silva testimony.	0.40	455.00	182.00
04/05/2023	BJS	Review V. Silva testimony.	0.80	455.00	364.00
04/05/2023	BJS	Conference call w/N. Castillo re V. Silva draft testimony.	0.30	455.00	136.50
04/17/2023	BJS	Prepare proceeding expense affidavit.	0.40	455.00	182.00
04/18/2023	BJS	Review C. Enoch updated testimony.	1.30	455.00	591.50
04/19/2023	BJS	Revise C. Enoch testimony.	1.90	455.00	864.50
04/20/2023	BJS	Review calculation of bonus.	0.30	455.00	136.50

Client:

000018

Matter:

000018-000254

Invoice#:

39582

Resp Atty:

BJS

Date	Person	Description of Services	Hours	Rate	Amount
04/20/2023	BJS	Review EMV cost.	0.10	455.00	45.50
04/24/2023	BJS	Revise C. Enoch testimony.	0.90	455.00	409.50
04/24/2023	BJS	Finalize rate case expense affidavit.	0.40	455.00	182.00
04/25/2023	BJS	Revise petition.	0.70	455.00	318.50
04/25/2023	BJS	Revise notice.	0.40	455.00	182.00
04/26/2023	BJS	Review final application.	1.20	455.00	546.00
04/26/2023	BJS	Review C. Enoch testimony.	0.50	455.00	227.50
04/26/2023	BJS	Communicate w/C. Enoch re testimony.	0.10	455.00	45.50
04/27/2023	BJS	Review V. Silva testimony.	0.50	455.00	227.50
04/27/2023	BJS	Communicate w/V. Silva re testimony.	0.10	455.00	45.50
04/27/2023	BJS	Communications w/N. Castillo re notice.	0.30	455.00	136.50
04/27/2023	BJS	Analyze proposal for presentation of errata to Energy Efficiency Plan and Report.	0.30	455.00	136.50
Total Professional Services:			11.10		5,050.50

May 10, 2023

Client: 000018
 Matter: 000018-000254
 Invoice#: 39582
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	11.10	455.00	5,050.50
	Total Services			\$5,050.50
	Total Disbursements			\$0.00
	Total Current Charges			\$5,050.50
	Total Due This Invoice			\$5,050.50
	Previous Balance			\$5,687.50
	PAY THIS AMOUNT			\$10,738.00

INFORMATION

All lawyers in Texas have an obligation to maintain a high standard of ethical conduct toward their clients and others. To enforce this standard the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. If you should have any complaints please call the State Bar of Texas at 1-800-932-1900 toll free.

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149

Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

June 12, 2023

Client:	000018
Matter:	000018-000254
Invoice#:	39737
Resp Atty:	BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: May 31, 2023

Total Services	\$4,504.50
Total Current Charges	\$4,504.50
Total Due This Invoice	\$4,504.50
Previous Balance	\$0.00
PAY THIS AMOUNT	\$4,504.50

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

June 12, 2023

Client:	000018
Matter:	000018-000254
Invoice#:	39737
Resp Atty:	BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: May 31, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
05/01/2023	BJS	Review filed errata to Energy Efficiency Plan and Report.	0.30	455.00	136.50
05/03/2023	BJS	Review preliminary order.	0.30	455.00	136.50
05/11/2023	BJS	Review CEP's motion to intervene.	0.10	455.00	45.50
05/16/2023	BJS	Communicate w/Staff re procedural schedule.	0.10	455.00	45.50
05/16/2023	BJS	Draft procedural schedule.	0.90	455.00	409.50
05/16/2023	BJS	Revise procedural schedule in response to Staff comments.	0.30	455.00	136.50
05/17/2023	BJS	Review CEP's revisions to procedural schedule.	0.30	455.00	136.50
05/18/2023	BJS	Revise procedural schedule.	0.70	455.00	318.50

Client:	000018
Matter:	000018-000254
Invoice#:	39737
Resp Atty:	BJS

Date	Person	Description of Services	Hours	Rate	Amount
05/18/2023	BJS	Communicate w/N. Castillo and others re draft procedural schedule.	0.10	455.00	45.50
05/18/2023	BJS	Communications w/parties re revised procedural schedule.	0.30	455.00	136.50
05/19/2023	BJS	TC N. Gordon re schedule.	0.20	455.00	91.00
05/19/2023	BJS	Communicate w/Staff re procedural schedule.	0.20	455.00	91.00
05/22/2023	BJS	TC Staff re proof of notice timing.	0.10	455.00	45.50
05/22/2023	BJS	Communications w/N. Castillo re proof of notice.	0.60	455.00	273.00
05/22/2023	BJS	Communications w/Staff re proof of notice.	0.40	455.00	182.00
05/22/2023	BJS	Evaluate Staff question about good cause exception request.	1.30	455.00	591.50
05/22/2023	BJS	Review proof of notice.	0.60	455.00	273.00
05/22/2023	BJS	Draft request for good cause exception to filing deadlines.	0.90	455.00	409.50
05/22/2023	BJS	Revise procedural schedule.	0.60	455.00	273.00
05/22/2023	BJS	Communicate w/parties re procedural schedule.	0.20	455.00	91.00
05/22/2023	BJS	Communicate w/Staff re request for good cause exception to filing deadlines.	0.10	455.00	45.50
05/23/2023	BJS	Communicate w/Staff re filing of good cause motion.	0.10	455.00	45.50
05/23/2023	BJS	Revise good cause motion.	0.20	455.00	91.00
05/23/2023	BJS	Communicate w/parties re filing of procedural schedule.	0.10	455.00	45.50
05/23/2023	BJS	Review Staff recommendation on sufficiency.	0.20	455.00	91.00
05/24/2023	BJS	Conference call w/N. Castillo and others re Staff 1st RFI.	0.30	455.00	136.50
05/25/2023	BJS	Draft status report.	0.20	455.00	91.00
05/25/2023	BJS	Communicate w/parties re status report.	0.10	455.00	45.50
05/31/2023	BJS	Review CEP request for hearing.	0.10	455.00	45.50
Total Professional Services:			9.90		4,504.50

Client: 000018
 Matter: 000018-000254
 Invoice#: 39737
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	9.90	455.00	4,504.50
	Total Services			\$4,504.50
	Total Disbursements			\$0.00
	Total Current Charges			\$4,504.50
	Total Due This Invoice			\$4,504.50
	Previous Balance			\$0.00
	PAY THIS AMOUNT			\$4,504.50

INFORMATION

All lawyers in Texas have an obligation to maintain a high standard of ethical conduct toward their clients and others. To enforce this standard the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. If you should have any complaints please call the State Bar of Texas at 1-800-932-1900 toll free.

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

July 14, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 39921
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: June 30, 2023

Total Services	\$1,729.00
Total Current Charges	\$1,729.00
Total Due This Invoice	\$1,729.00
Previous Balance	\$0.00
PAY THIS AMOUNT	\$1,729.00

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

July 14, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 39921
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: June 30, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
06/20/2023	BJS	Review informal request from Staff.	0.20	455.00	91.00
06/20/2023	BJS	Communicate w/C. Enoch and others re Staff request.	0.20	455.00	91.00
06/20/2023	BJS	Evaluate C. Hutcheson's question about scope of Staff RFI.	0.30	455.00	136.50
06/20/2023	BJS	Communicate w/C. Hutcheson re scope of Staff RFI.	0.10	455.00	45.50
06/22/2023	BJS	Communicate w/C. Enoch re Staff questions.	0.10	455.00	45.50
06/22/2023	BJS	Evaluate D. Manchuca explanation of location of invoices.	0.40	455.00	182.00
06/26/2023	BJS	Communicate w/Staff re status of supplemental filing.	0.20	455.00	91.00
06/26/2023	BJS	Review status of supplemental response to Staff RFI.	0.40	455.00	182.00

July 14, 2023

Page 15 of 36

Client:

000018

Matter:

000018-000254

Invoice#:

39921

Resp Atty:

BJS

Date	Person	Description of Services	Hours	Rate	Amount
06/27/2023	BJS	Review draft responses to Staff 2nd RFI.	0.20	455.00	91.00
06/27/2023	BJS	Review revision to draft response to Staff RFI.	0.10	455.00	45.50
06/29/2023	BJS	Review supplemental response to Staff 2nd RFI.	1.30	455.00	591.50
06/29/2023	BJS	Communications w/N. Castillo re supplemental response to Staff RFI.	0.20	455.00	91.00
06/29/2023	BJS	Communicate w/N. Castillo re Staff discovery on CEP.	0.10	455.00	45.50
Total Professional Services:			3.80		1,729.00

Client: 000018
 Matter: 000018-000254
 Invoice#: 39921
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	3.80	455.00	1,729.00
	Total Services			\$1,729.00
	Total Disbursements			\$0.00
	Total Current Charges			\$1,729.00
	Total Due This Invoice			\$1,729.00
	Previous Balance			\$0.00
	PAY THIS AMOUNT			\$1,729.00

INFORMATION

All lawyers in Texas have an obligation to maintain a high standard of ethical conduct toward their clients and others. To enforce this standard the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. If you should have any complaints please call the State Bar of Texas at 1-800-932-1900 toll free.

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

August 08, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 39985
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: July 31, 2023

Total Services	\$2,138.50
Total Current Charges	\$2,138.50
Total Due This Invoice	\$2,138.50
Previous Balance	\$1,729.00
PAY THIS AMOUNT	\$3,867.50

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

August 08, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 39985
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: July 31, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
07/05/2023	BJS	Review CEP 1st RFI.	0.30	455.00	136.50
07/05/2023	BJS	Communicate w/D. Machuca re RFI.	0.20	455.00	91.00
07/17/2023	BJS	Conference call w/N. Castillo and others to review draft response to CEP RFI.	0.50	455.00	227.50
07/20/2023	BJS	Review revised responses to CEP discovery.	0.60	455.00	273.00
07/27/2023	BJS	Draft statement under protective order for discovery response.	0.40	455.00	182.00
07/28/2023	BJS	Compare other utility cost effectiveness.	2.70	455.00	1,228.50
Total Professional Services:			4.70		2,138.50

Client: 000018
 Matter: 000018-000254
 Invoice#: 39985
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	4.70	455.00	2,138.50
	Total Services			\$2,138.50
	Total Disbursements			\$0.00
	Total Current Charges			\$2,138.50
	Total Due This Invoice			\$2,138.50
	Previous Balance			\$1,729.00
	PAY THIS AMOUNT			\$3,867.50

INFORMATION

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DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

September 14, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40184
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: August 31, 2023

Total Services	\$8,372.00
Total Current Charges	\$8,372.00
Total Due This Invoice	\$8,372.00
Previous Balance	\$0.00
PAY THIS AMOUNT	\$8,372.00

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

September 14, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40184
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: August 31, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
08/10/2023	BJS	Review CEP testimony.	1.10	455.00	500.50
08/22/2023	BJS	Evaluate scope of rebuttal testimony.	0.40	455.00	182.00
08/22/2023	BJS	Conference call w/C. Hutcheson and others re rebuttal.	0.50	455.00	227.50
08/22/2023	BJS	Communications w/J. Schichtl re potential settlement terms.	0.30	455.00	136.50
08/23/2023	BJS	Communicate w/parties re potential settlement.	0.40	455.00	182.00
08/23/2023	BJS	TC N. Gordon re timing of response to settlement offer.	0.20	455.00	91.00
08/24/2023	BJS	Communications w/N. Gordon re CEP's position on settlement.	0.20	455.00	91.00
08/24/2023	BJS	Communicate w/C. Hutcheson and others re parties' position and suspension of schedule.	0.10	455.00	45.50

Client: 000018
 Matter: 000018-000254
 Invoice#: 40184
 Resp Atty: BJS

Date	Person	Description of Services	Hours	Rate	Amount
08/25/2023	BJS	Draft motion for suspension of procedural schedule.	0.40	455.00	182.00
08/25/2023	BJS	Communicate w/parties re suspension of procedural schedule.	0.10	455.00	45.50
08/25/2023	BJS	Draft settlement documents.	5.20	455.00	2,366.00
08/28/2023	BJS	Continue drafting settlement documents.	3.30	455.00	1,501.50
08/29/2023	BJS	Continue drafting settlement documents.	4.10	455.00	1,865.50
08/30/2023	BJS	Continue drafting settlement documents.	2.10	455.00	955.50
Total Professional Services:			18.40		8,372.00

Client: 000018
 Matter: 000018-000254
 Invoice#: 40184
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	18.40	455.00	8,372.00
	Total Services			\$8,372.00
	Total Disbursements			\$0.00
	Total Current Charges			\$8,372.00
	Total Due This Invoice			\$8,372.00
	Previous Balance			\$0.00
	PAY THIS AMOUNT			\$8,372.00

INFORMATION

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DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

October 12, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40324
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: September 30, 2023

Total Services	\$4,959.50
Total Current Charges	\$4,959.50
Total Due This Invoice	\$4,959.50
Previous Balance	\$0.00
PAY THIS AMOUNT	\$4,959.50

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

October 12, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40324
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: September 30, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
09/01/2023	BJS	Draft settlement documents.	1.90	455.00	864.50
09/05/2023	BJS	Revise settlement documents.	1.20	455.00	546.00
09/05/2023	BJS	Communications w/C. Hutcheson and others re settlement documents.	0.40	455.00	182.00
09/06/2023	BJS	Revise settlement documents.	0.70	455.00	318.50
09/06/2023	BJS	Communicate w/C. Hutcheson and others re settlement documents.	0.10	455.00	45.50
09/08/2023	BJS	Revise settlement documents.	1.40	455.00	637.00
09/10/2023	BJS	Revise settlement documents.	0.90	455.00	409.50
09/10/2023	BJS	Communicate w/parties re settlement documents.	0.20	455.00	91.00

October 12, 2023

Page 26 of 36

Client: 000018
 Matter: 000018-000254
 Invoice#: 40324
 Resp Atty: BJS

Date	Person	Description of Services	Hours	Rate	Amount
09/18/2023	BJS	Communications w/parties re status of settlement.	0.50	455.00	227.50
09/26/2023	BJS	Communicate w/Staff re filing of settlement.	0.30	455.00	136.50
09/28/2023	BJS	Revise settlement documents.	1.80	455.00	819.00
09/29/2023	BJS	Communicate w/V. Silva re settlement filing.	0.20	455.00	91.00
09/29/2023	BJS	Finalize settlement documents.	1.10	455.00	500.50
09/29/2023	BJS	Communicate w/parties re filing of final settlement.	0.20	455.00	91.00
Total Professional Services:			10.90		4,959.50

Client: 000018
 Matter: 000018-000254
 Invoice#: 40324
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	10.90	455.00	4,959.50
	Total Services			\$4,959.50
	Total Disbursements			\$0.00
	Total Current Charges			\$4,959.50
	Total Due This Invoice			\$4,959.50
	Previous Balance			\$0.00
	PAY THIS AMOUNT			\$4,959.50

INFORMATION

All lawyers in Texas have an obligation to maintain a high standard of ethical conduct toward their clients and others. To enforce this standard the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. If you should have any complaints please call the State Bar of Texas at 1-800-932-1900 toll free.

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

November 09, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40415
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: October 31, 2023

Total Services	\$91.00
Total Current Charges	\$91.00
Total Due This Invoice	\$91.00
Previous Balance	\$0.00
PAY THIS AMOUNT	\$91.00

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

November 09, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40415
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: October 31, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
10/12/2023	BJS	Review status of EECRF case.	0.20	455.00	91.00
Total Professional Services:			0.20		91.00

Client: 000018
 Matter: 000018-000254
 Invoice#: 40415
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	0.20	455.00	91.00
	Total Services			\$91.00
	Total Disbursements			\$0.00
	Total Current Charges			\$91.00
	Total Due This Invoice			\$91.00
	Previous Balance			\$0.00
	PAY THIS AMOUNT			\$91.00

INFORMATION

All lawyers in Texas have an obligation to maintain a high standard of ethical conduct toward their clients and others. To enforce this standard the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. If you should have any complaints please call the State Bar of Texas at 1-800-932-1900 toll free.

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

December 07, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40579
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: November 30, 2023

Total Services	\$864.50
Total Current Charges	\$864.50
Total Due This Invoice	\$864.50
Previous Balance	\$91.00
PAY THIS AMOUNT	\$955.50

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

December 07, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40579
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: November 30, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
11/03/2023	BJS	Review draft proposed order.	0.90	455.00	409.50
11/10/2023	BJS	Draft correction to proposed order.	0.40	455.00	182.00
11/10/2023	BJS	Finalize draft correction to proposed order.	0.30	455.00	136.50
11/29/2023	BJS	Communications w/J. Schichtl re Commission approval of settlement and bonus.	0.20	455.00	91.00
11/30/2023	BJS	Monitor open meeting to verify consent approval of settlement.	0.10	455.00	45.50
Total Professional Services:			1.90		864.50

Client: 000018
 Matter: 000018-000254
 Invoice#: 40579
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	1.90	455.00	864.50
Total Services				\$864.50
Total Disbursements				\$0.00
Total Current Charges				\$864.50
Total Due This Invoice				\$864.50
Previous Balance				\$91.00
PAY THIS AMOUNT				\$955.50

INFORMATION

All lawyers in Texas have an obligation to maintain a high standard of ethical conduct toward their clients and others. To enforce this standard the State Bar of Texas investigates and prosecutes complaints of professional misconduct against attorneys licensed in Texas. If you should have any complaints please call the State Bar of Texas at 1-800-932-1900 toll free.

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P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

December 07, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40598
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: December 7, 2023

Total Services	\$91.00
Total Current Charges	\$91.00
Total Due This Invoice	\$91.00
Previous Balance	\$955.50
PAY THIS AMOUNT	\$1,046.50

DUGGINS WREN MANN & ROMERO, LLP

A LIMITED LIABILITY PARTNERSHIP

P.O. Box 1149
Austin, TX 78767

Billing Inquiries may be addressed to billing@dwmrlaw.com

December 07, 2023

Client: 000018
Matter: 000018-000254
Invoice#: 40598
Resp Atty: BJS

El Paso Electric
Cynthia Henry
General Counsel
P. O. Box 982
El Paso, TX 79960

RE: 000018-000254: El Paso Electric - 2023 EECRF

BF_M#548005; BF_REF_249 - 2023 EECRF

Nancy Burns, Curtis Hutcheson

Cost Center 8000; Work Order No. XE7501901903; Acct No. 928-010; Expense Type 90

For Professional Services Rendered Through: December 7, 2023

Services

Date	Person	Description of Services	Hours	Rate	Amount
12/05/2023	BJS	Review clean tariff.	0.20	455.00	91.00
Total Professional Services:			0.20		91.00

Client: 000018
 Matter: 000018-000254
 Invoice#: 40598
 Resp Atty: BJS

Person Recap

Person	Level	Hours	Rate	Amount
Bret Slocum	Partner	0.20	455.00	91.00
Total Services				\$91.00
Total Disbursements				\$0.00
Total Current Charges				\$91.00
Total Due This Invoice				\$91.00
Previous Balance				\$955.50
PAY THIS AMOUNT				\$1,046.50

INFORMATION

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REDLINE

II. JURISDICTION

The Public Utility Commission of Texas (Commission or PUCT) has jurisdiction over EPE and the subject matter of this Application pursuant to Section 39.905 of the Public Utility Regulatory Act (PURA)¹ and 16 Tex. Admin. Code § 25.182 (TAC).

III. AFFECTED PERSONS

EPE provides service to approximately 350,000 retail electric customers in Texas. EPE proposes to apply the EECRF requested herein to all of its retail electric customers in its Texas service area that fall within the classes subject to the EECRF. Those classes are listed in the proposed tariff, which is Attachment A to this Application.

IV. EPE'S PROPOSED EECRF FOR 2025

By this Application, EPE requests the authority to revise its EECRF for 2025 to reflect the following five components:

- 1) projected energy efficiency program costs for 2025 of \$5,161,212;
- 2) a performance bonus based on the Company's 2023 energy efficiency program performance of ~~\$1,555,954~~638,758;
- 3) EPE's prior year (2023) EECRF proceeding expenses of ~~\$44,876~~55,747;
- 4) a true-up adjustment by rate class of EPE's net over-recovery for 2023 of \$(1,125,164), including interest; and
- 5) projected evaluation, measurement, and verification (EM&V) costs allocated to EPE by the Commission of \$67,486.

The total amount that EPE requests be included in its 2025 EECRF is therefore ~~\$5,704,364~~798,039. EPE's request is based on continuing all of its energy efficiency programs and with the same megawatt goal (11.16 MW) and at the same level they have been at since 2011. With the programs that EPE proposes to offer in 2025, EPE calculates that it will be able to achieve the equivalent of an energy efficiency savings of greater than both the 30% energy efficiency goal and the four-tenths of 1% (0.4%) of its summer weather-adjusted peak demand goal that are prescribed by 16 TAC § 25.181(e).

In support of this application, EPE submits the Direct Testimonies of Antonio Reyes and Victor H. Silva and an affidavit by Bret Slocum concerning last year's EECRF proceeding expenses. In his Direct Testimony, Mr. Reyes addresses EPE's energy efficiency program and its

¹ Tex. Util. Code §§ 11.001-66.016. (PURA).

associated costs, as well as the bidding and engagement process for contracting with energy efficiency service providers. Mr. Reyes also discusses EPE's 2023 performance bonus. In his Direct Testimony, Mr. Silva provides a summary of the relief sought by EPE and describes the specific costs to be included in EPE's revised EECRF pursuant to the requirements of 16 TAC § 25.182(d). Mr. Silva's testimony also supports the calculation of EPE's revised EECRF rates for the billing period January 2025 through December 2025.

V. ADJUSTED ENERGY EFFICIENCY COST RECOVERY FACTOR

EPE's revised EECRF tariff containing the EECRF rates for 2023 is provided as Exhibit VHS-02E2 to Mr. Silva's Direct Testimony and is attached to this Application as Attachment A. Based on EPE's current base rates and fixed fuel factor, EPE's EECRF request would result in a residential customer using 701 kilowatt hours of electricity per month being charged \$0.77 per month, which is a decrease of \$0.04, or about a 0.04% decrease in a residential customer's current average monthly bill of \$96.44.

EPE requests the Commission to approve the adjusted EECRF effective as of the first billing cycle of the January 2025 billing month.

VI. NOTICE

Consistent with the notice provisions of 16 TAC § 25.182,² EPE proposes to provide notice to all parties that participated in the Company's last EECRF proceeding, Docket No. 54950,³ and its last completed base rate proceeding, Docket No. 52195.⁴ EPE will also provide notice to Texas Department of Housing and Community Affairs, which is the state agency that administers the federal weatherization program. Because EPE's service territory is not open to retail competition, no Retail Electric Provider is eligible to provide service in EPE's service area, so no notice to a retail electric provider is required. The form of the notice to be provided is set forth in

² 16 TAC § 25.182(d)(13) states:

Notice of a utility's filing of an EECRF application is reasonable if the utility provides in writing a general description of the application and the docket number assigned to the application within 7 days of the application filing date to:

- (A) All parties in the utility's most recent completed EECRF docket;
- (B) All retail electric providers that are authorized by the registration agent to provide service in the utility's service area at the time the EECRF application is filed;
- (C) All parties in the utility's most recent completed base-rate proceeding; and
- (D) The state agency that administers the federal weatherization program.

³ *Application of El Paso Electric Company to Adjust its Energy Efficiency Cost Recovery Factor and Establish Revised Cost Cap*, Docket No. 54950, Order (May 1, 2023).

⁴ *Application of El Paso Electric Company to Change Rates*, Docket No. 52195, Order (Sept 15, 2022).

EL PASO ELECTRIC COMPANY

Exhibit VHS-
02E Attachment A
Page 1 of 1

SCHEDULE NO. 97 ENERGY EFFICIENCY COST RECOVERY FACTOR

APPLICABILITY

Electric service billed under rate schedules having an Energy Efficiency Cost Recovery Factor Clause shall be subject to an Energy Efficiency Cost Recovery Factor ("EECRF"). The EECRF is not applicable to service billed at transmission voltage rates.

Pursuant to Section 25.182(d) of Title 16 of the Texas Administration Code, the EECRF allows the Company to recover the cost of energy efficiency programs from the customer classes that receive services under such programs.

TERRITORY

Texas Service Area

MONTHLY RATE

Rate No.	Description	Energy Efficiency Cost Recovery Factor (\$/kWh)	
01	Residential Service Rate	\$0.0044091088	(H)
EVC	Electric Vehicle Charging Rate	0.000000	
02	Small Commercial Service Rate	0.0046351609	(I)
07	Outdoor Recreational Lighting Service Rate	-0.001917	(R)
08	Governmental Street Lighting Service Rate	0.000000	
09	Governmental Traffic Signal Service	0.000001	(I)
11-TOU	Time-Of-Use Municipal Pumping Service Rate	0.000000	
WH	Water Heating	-0.000025	(H)
22	Irrigation Service Rate	-0.000350	(H)
24	General Service Rate	0.000604586	(R)
25	Large Power Service Rate (excludes transmission)	0.000445134	(R)
34	Cotton Gin Service Rate	0.000273	(H)
41	City and County Service Rate	0.0043094249	(I)
46	Maintenance Power Service For Cogeneration And Small Power Production Facilities	0.000273	(H)
47	Backup Power Service For Cogeneration And Small Power Production Facilities	0.000273	(H)

Section Number 1
Sheet Number 33
Page 1 of 1

Revision Number 15
Effective with bills issued on or
after January 1, 2025

DOCKET NO.56572

APPLICATION OF EL PASO	§	
ELECTRIC COMPANY FOR APPROVAL	§	PUBLIC UTILITY COMMISSION
TO REVISE ITS ENERGY EFFICIENCY	§	OF TEXAS
COST RECOVERY FACTOR	§	

| SECOND ERRATA TO THE DIRECT TESTIMONY OF

ANTONIO REYES

FOR

EL PASO ELECTRIC COMPANY

| ~~JUNE~~ AUGUST 512, 2024

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EXHIBITS

- AR-01E – EPE's 2024 Energy Efficiency Plan and Report – Second Errata
- AR-02E – 2023 Cost Effectiveness Summary by Program
- AR-03 – 2023 Comparison of Program Expenditures
- AR-04 – 2023 Comparison of Incentive Expenditures
- AR-05 – 2025 Total Budget and Program Expenses by Rate Class
- AR-06E – 2023 Performance Bonus Calculation
- AR-07 – CONFIDENTIAL List of Energy Efficiency Service Providers
- AR-08 – CONFIDENTIAL Cost Comparison \$ per kW
- AR-09 – 2023 Estimated Useful Life Values

- Describe EPE's bidding and engagement process for contracting with energy efficiency service providers ("EESPs") and administrators;
- Provide a list of the EESPs and contractors that participated in EPE's energy efficiency programs, including a list of those whose incentive payments exceeded 5% of the overall incentive payments in EPE's 2023 energy efficiency programs; and
- Provide a list of each energy efficiency program measure's estimated useful life ("EUL").

Q7. ARE YOU SPONSORING ANY EXHIBITS?

A. Yes, I am sponsoring the following exhibits that have been prepared by me or under my direction:

- Exhibit AR-01E – EPE's 2024 Energy Efficiency Plan and Report – Second Errata
- Exhibit AR-02E – 2023 Cost-effectiveness Summary by Program
- Exhibit AR-03 – Comparison of 2023 Program Expenditures
- Exhibit AR-04 – Comparison of 2023 Incentive Expenditures
- Exhibit AR-05 – 2025 Total Budget and Program Expenses by Rate Class
- Exhibit AR-06E – 2023 Performance Bonus Calculation
- Exhibit AR-07 – (CONFIDENTIAL) – List of Energy Efficiency Service Providers
- Exhibit AR-08 – (CONFIDENTIAL) Cost Comparison \$ per kW
- Exhibit AR-09 – 2023 Estimated Useful Life Table

Q8. IS EPE PRESENTING OTHER WITNESSES IN THIS PROCEEDING?

A. Yes, EPE witness Victor H. Silva presents and supports the calculation of EPE's Energy Efficiency Cost Recovery Factor ("EECRF") for 2025, based on the program costs and other information I discuss in my testimony.

III. 2023 Energy Efficiency Program Results

Q9. CAN YOU LIST THE 2023 ENERGY EFFICIENCY PROGRAMS THAT EPE OFFERED?

A. Yes. In 2023, EPE offered the following energy efficiency programs:

- Small Commercial Solutions Market Transformation Program ("MTP"),

- Large Commercial & Industrial ("C&I") Solutions MTP,
- Texas Schools and Cities Conserving Resources ("Texas SCORE") MTP,
- Commercial Load Management Standard Offer Program ("SOP"),
- Residential Solutions MTP,
- LivingWise[®] MTP,
- FutureWise Pilot MTP
- Texas Appliance Recycling MTP,
- Residential Marketplace MTP,
- Residential Load Management MTP ("RLMP"), and
- Hard-to-Reach Solutions MTP.

Q10. CAN YOU DESCRIBE EACH ENERGY EFFICIENCY PROGRAM?

A. Yes. A complete description of EPE's energy efficiency programs is provided in EPE's 2024 EEPR Second Errata, attached as Exhibit AR-01E.

Q11. WHAT WERE EPE'S ENERGY EFFICIENCY PROGRAM EXPENDITURES DURING THE 2023 PROGRAM YEAR?

A. In 2023, EPE accrued ~~\$4,817,596~~\$4,806,725 in total program expenditures including EM&V expenses and EECRF proceeding expenses. Program expenditures alone were \$4,694,253. A detailed breakdown of the amounts spent by program can be found in Table 10 of Exhibit AR-01E.

Q12. WHAT WAS EPE'S DEMAND REDUCTION GOAL FOR THE 2023 PROGRAM YEAR?

A. EPE's demand reduction goal for 2023 was 11.16 megawatts ("MW"), as described in the Executive Summary and explained in more detail in Section III of Exhibit AR-01E.

Q13. WHAT DEMAND REDUCTION DID EPE ACHIEVE THROUGH ITS 2023 ENERGY EFFICIENCY PROGRAMS?

1 A. As shown in Table 8 of Exhibit AR-01E, EPE achieved a total of 20,553 kilowatts ("kW")
2 of demand reduction through its energy efficiency programs for 2023. This reduction
3 represents 184 % of EPE's 2023 demand reduction goal.
4

5 Q14. DID EPE'S 2023 ENERGY EFFICIENCY PROGRAMS MEET THE
6 COST-EFFECTIVENESS STANDARD OF 16 TAC §25.181?

7 A. Yes. All but one of EPE's programs met the cost-effectiveness standard of 16 TAC
8 § 25.181(d). The one program that did not meet the cost-effectiveness standard was the
9 FutureWise MTP program, which had a cost-effectiveness score of 0.73. However, EPE's
10 overall portfolio of 2023 programs exceeded the cost-effectiveness standard of 1.0 with a
11 Utility Cost Test ("UCT") of 3.48, as shown in Exhibit AR-02E.
12

13 Q15. WHAT STEPS IS EPE TAKING TO MAKE THE NEW FUTUREWISE MTP COST-
14 EFFECTIVE IN THE FUTURE?

15 A. EPE expects the cost-effectiveness of the FutureWise MTP to increase, as this is the first
16 year for a new program. EPE is exploring options, reviewing the measure mix, and
17 considering merging the LivingWise MTP and the FutureWise MTP into a single offering,
18 as EPE does in New Mexico with the Smart Students Program, to possibly decrease
19 overhead costs and increase cost-effectiveness.
20

21 Q16. WHAT EFFECT DID THE REDUCED 2023 COMMERCIAL INCENTIVE
22 EXPENDITURES HAVE ON EPE'S OVERAGE OF THE COMMERCIAL COST CAP?

23 A. EPE's efforts to control commercial incentive expenditures did reduce the overage of the
24 commercial cost cap.
25

26 Q17. WHAT FACTORS IMPACT THE COMMERCIAL AND RESIDENTIAL COST CAPS?

27 A. The projected meter consumption (kWh), energy efficiency costs and performance bonus
28 to be recovered, and the U.S. Bureau of Labor Statistics South Urban CPI affect the
29 commercial and residential cost caps, presented by EPE witness Silva, Exhibit VHS-04E2.
30
31

Q22. DID EPE'S DECISION TO LIMIT THE DRPE OPTION TO CONTROL RLMP EXPENDITURES IN 2023 HAVE OTHER IMPACTS ON THE RLMP?

A. Yes. EPE's limited duration of the DRPE option limits the number of enrollments and thereby limits the energy savings claimed for thermostats, which elect enrollment, through the RLMP. As such, EPE observed lower than anticipated energy savings claimed for thermostats in 2023.

Q23. DID EPE'S DECISION TO LIMIT THE DRPE OPTION IN THE RLMP HAVE IMPACTS ON OTHER PROGRAMS?

A. Yes. The limited duration of the DRPE option shifted the thermostat expenditures from the RLMP to the Marketplace. As such, the proportion of RLMP versus Marketplace savings and expenditures in 2023 can be attributed to a shift from RLMP to Marketplace driven purchases. However, the shift in thermostat expenditures did not result in an overage of the combined projected Marketplace and RLMP budgets.

Q24. ARE EPE'S PROGRAMS IMPLEMENTED IN ACCORDANCE WITH RECOMMENDATIONS MADE BY THE COMMISSION'S EM&V CONTRACTOR?

A. Yes. EPE's programs are implemented in accordance with the recommendations of the Commission's EM&V contractor.

Q25. HAVE YOU PROVIDED A RECONCILIATION OF THE PREVIOUS YEAR'S ENERGY EFFICIENCY COSTS?

A. Yes. Table 10 of Exhibit AR-01E presents the reconciliation based on 2023 budget and expenditures for each energy efficiency program, as well as the administrative, research and development ("R&D"), EM&V, and EECRF proceeding expenses.

Q26. WERE ALL THE COSTS SHOWN IN TABLE 10 OF EXHIBIT AR-01E INCURRED IN SUPPORT OF ENERGY EFFICIENCY PROGRAMS?

A. Yes, all the costs shown in Table 10 of Exhibit AR-01E were incurred for the purpose of reducing demand and energy growth. The energy efficiency program costs are presented in EPE's 2024 EEPR, Project No. 56003, which was originally filed on April 1, 2024, with

an errata filing made on April 30, 2024 and a second errata filed concurrently with this errata testimony.¹

Q27. DO THE COSTS SHOWN IN TABLE 10 OF EXHIBIT AR-01E INCLUDE ANY COSTS THAT ARE NOT ALLOWED AS AN EXPENSE UNDER 16 TAC §25.231(B)(2)?

A. No.

Q28. HOW DO EPE'S ENERGY EFFICIENCY COSTS COMPARE TO WHAT OTHER TEXAS UTILITIES HAVE EXPERIENCED?

A. While each utility faces different circumstances, EPE's 2023 energy efficiency costs are comparable to other electric investor-owned utilities ("IOU") in Texas. Exhibit AR-03 compares the program expenditures for demand or kW savings ("\$/kW") and energy or kilowatt-hour ("kWh") savings ("\$/kWh") for Texas IOUs as originally reported in their 2024 EEPRs. In addition, Exhibit AR-04 compares the incentive expenditures for demand and energy savings for Texas IOUs. In 2023, EPE's program and incentive expenditures on a \$/kW and \$/kWh basis were less than or equal to the average program and incentive expenditures for Texas IOUs on a \$/kW and \$/kWh basis.

IV. Implementers' Incentives

Q29. WHAT ARE IMPLEMENTER INCENTIVES SHOWN IN EXHIBIT AR-01E, TABLE 9 FOR PROGRAM YEAR 2023?

A. Implementer Incentives as shown in Exhibit AR-01E, Table 9 for 2023 are "Incentive Payments" made to a third-party contractor to implement and/or attract customers to the energy efficiency program listed, as defined under 16 TAC 25.181 (c)(29).

Q30. PLEASE DESCRIBE THE INCENTIVE PAYMENTS MADE BY EPE?

¹ 2024 Energy Efficiency Plans and Reports Under 16 TAC 25.181; Project No. 56003, El Paso Electric Company 2024 Energy Efficiency Plan and Report (April 1, 2024); 2024 Energy Efficiency Plans and Reports Under 16 TAC 25.181, Project No. 56003, Errata to El Paso Electric Company 2024 Energy Efficiency Plan and Report (April 30, 2024) and Second Errata to El Paso Electric Company 2024 Energy Efficiency Plan and Report (bding filed concurrently with this testimony).

1 A. As shown in Exhibit AR-01E, Table 9 Program Incentive Expenditures for 2023, EPE
2 made Incentive Payments of \$2,682,450 in Customer Incentives (end-use customers and
3 energy efficiency service providers) and \$1,888,049 in Implementer Incentives made to
4 third-party contractors to implement energy efficiency programs.
5

6 **V. 2024 Energy Efficiency Program Known Adjustments**

7 Q31. DO EPE'S CURRENT PROJECTED COSTS FOR PROGRAM YEAR 2024 DIFFER
8 FROM WHAT WAS FILED IN DOCKET NO. 54950 EXHIBIT CAE-01?

9 A. Yes. Docket No. 54950 showed projected costs separately for the Large C&I Solutions
10 MTP and the Texas SCORE MTP. These two programs have been combined into one
11 program, the Large Commercial Plus Solutions MTP, and current projected costs are
12 shown as the sum of the two program budgets previously filed in Docket No. 54950.
13 Additionally, the Texas Appliance Recycling MTP filed in Docket No. 54950 has been
14 discontinued for program year 2024, and the budgeted amount of \$255,000 has been
15 subtracted from the current projected costs. Current projected EM&V costs are \$214
16 higher than what was filed in Docket No. 54950. These two differences in current projected
17 costs result in a reduction of \$254,786 compared to the total budget filed in Docket No.
18 54950 with the understanding that EPE's estimated incentives, research and development,
19 and administrative costs will be subject to reconciliation in EPE' s 2025 EECRF
20 proceeding.
21

22 Q32. DO EPE'S CURRENT PROJECTED SAVINGS FOR PROGRAM YEAR 2024 DIFFER
23 FROM WHAT WAS FILED IN DOCKET NO. 54950 EXHIBIT CAE-01?

24 A. Yes. The Texas Appliance Recycling MTP filed in Docket No. 54950 has been
25 discontinued for program year 2024 and as a result current projected demand savings have
26 been reduced by 195 kW and projected energy savings have been reduced by 1,579,200
27 kWh as noted in Exhibit AR-01E, Section I.E. in this Docket.
28

29 **VI. EPE's 2025 Energy Efficiency Goal**

30 Q33. HOW ARE EPE'S ENERGY EFFICIENCY GOALS ESTABLISHED?

1 A. EPE's energy efficiency goals are established in compliance with the Commission's
2 requirements found in 16 TAC § 25.181(e), which requires that an electric utility
3 administer a portfolio of energy efficiency programs to achieve a 30% reduction of its
4 summer weather-adjusted peak demand for the combined residential and commercial
5 customers at the meter. This goal is limited by a trigger based on 0.4% of the utility's
6 summer weather-adjusted peak demand for the combined residential and commercial
7 customers at the meter. Once a utility's portfolio produces demand reductions equivalent
8 to the trigger, the annual goal is established at that level. With limited exceptions, the
9 demand reduction goal in any year shall not be lower than its goal established for the prior
10 year.

11
12 Q34. WHAT IS EPE'S REQUESTED DEMAND REDUCTION GOAL FOR 2025?

13 A. EPE's requested demand reduction goal for 2025 is 11.16 MW.

14
15 Q35. HAS EPE REACHED THE 0.4% TRIGGER AS PROVIDED FOR IN 16 TAC
16 § 25.181(E)(1)(B)?

17 A. Yes. Since 2013, EPE's demand reduction goal has been greater than the 0.4% trigger.
18 EPE's proposed 2025 demand reduction goal of 11.16 MW exceeds the trigger as well. As
19 shown in Table 1 of Exhibit AR-01E, the 2024 trigger is equal to 5.63 MW.

20
21 Q36. HAS EPE RECEIVED ANY NOTIFICATIONS FROM INDUSTRIAL CUSTOMERS
22 UNDER 16 TAC § 25.181(U) THAT THEY ARE AN INDUSTRIAL CUSTOMER
23 TAKING SERVICE AT DISTRIBUTION LEVEL AND WISH TO BE EXCLUDED
24 FROM EPE'S ENERGY EFFICIENCY PROGRAMS?

25 A. No.

26
27 Q37. WHAT IS THE IMPACT OF SUCH NOTIFICATIONS ON EPE'S DEMAND
28 REDUCTION GOAL?

29 A. EPE did not receive any notifications for industrial opt outs for 2024 or 2025, as such there
30 are no impacts.

1 budget including incentive payments along with administrative, R&D, EM&V, and
2 EECRF proceeding expenses for a total of \$5,328,698.

3
4 Q42. CAN YOU PROVIDE THE PROJECTED DEMAND AND ENERGY SAVINGS FOR
5 EACH 2025 PROGRAM?

6 A. Yes. The projected demand and energy savings for each 2025 energy efficiency program
7 are shown in Table 5 of Exhibit AR-01E.

8
9 Q43. DOES EPE OFFER PROGRAMS FOR ALL ELIGIBLE CUSTOMER CLASSES?

10 A. Yes. EPE offers programs for all eligible customer classes.

11
12 Q44. HOW WERE THE 2025 ENERGY EFFICIENCY PROGRAM COSTS AND
13 ADMINISTRATIVE COSTS ALLOCATED TO EACH RATE CLASS?

14 A. The proposed 2025 incentive costs were allocated by program to each rate class based on
15 EPE's actual 2023 energy efficiency incentive costs. The 2025 proposed administrative
16 costs not directly assigned to specific programs were first allocated among each program
17 in proportion to the budgeted 2025 program incentive costs and then the same methodology
18 described above was used to allocate these expenses to each rate class within the programs.
19 The administrative costs that were directly assigned to a specific program were distributed
20 across rate classes based on the allocation of costs applicable to that program. Please see
21 Exhibit AR-05 for these proposed 2025 rate class allocations.

22
23 Q45. HOW WERE THE 2025 R&D COSTS DIRECTLY ASSIGNED TO EACH RATE
24 CLASS?

25 A. The same methodology described in the previous question was used to allocate the
26 proposed 2025 R&D costs to each rate class within the programs.

27
28 Q46. IS THIS THE SAME APPROACH THAT EPE HAS UTILIZED IN ITS PREVIOUS
29 ENERGY EFFICIENCY PROGRAM FILINGS?

30 A. Yes, this is the same approach that EPE utilized in its previous energy efficiency program
31 filings.

1
2 Q47. DOES THIS APPROACH REDUCE THE OVER- OR UNDER-RECOVERY OF
3 PROGRAM COSTS BY RATE CLASSES?

4 A. Yes, this approach should reduce the over- or under-recovery of program costs by rate
5 classes in future EECRF filings. The methodology aligns the program budgets and
6 projected costs that are used to set the EECRF rate with actual occurrences in prior program
7 years. A combination of historical participation rates and other known factors concerning
8 types of customers is a good indicator of how rate classes will participate in energy
9 efficiency programs going forward.
10

11 Q48. IS THE PROPOSED PROGRAM BUDGET REASONABLE?

12 A. Yes. EPE is proposing a budget of \$5,161,212, excluding EM&V and EECRF proceeding
13 expenses. With exceptions to the budget for adjustments resulting from the discontinuation
14 of the Texas Appliance Recycling Program, a small increase for EM&V costs and an
15 increase in the R&D budget, the budget consists of the same program costs approved for
16 EPE's 2024 programs.
17

18 Q49. ARE EPE'S PROPOSED INCENTIVE COSTS REASONABLE?

19 A. Yes, the Company's proposed incentive costs are reasonable. As stated earlier, Exhibit AR-
20 04 shows a comparison of the 2023 incentive expenditures per kW and kWh for each Texas
21 IOU as originally reported in the utilities' 2024 EEPRs. This comparison shows that EPE's
22 incentive expenditures are comparable to other Texas IOUs on a per kW and per kWh basis
23 for 2023.
24

25 Q50. WHAT ARE THE COMPANY'S PROJECTED ADMINISTRATIVE COSTS FOR 2025?

26 A. The projected administrative costs for 2025 are \$305,279 as shown in Exhibit AR-01E,
27 Table 6. Besides program administration, these administrative costs include R&D,
28 EM&V, and EECRF proceeding expenses.
29

30 Q51. WHAT ARE THE PROJECTED EXPENSES FOR R&D AND EECRF PROCEEDING
31 COSTS FOR 2025?

1 A. The projected expenses for R&D are \$50,000. EPE's projected EECRF proceeding costs
2 are \$100,000.
3

4 Q52. WHAT ARE THE COMPANY'S 2025 PROJECTED EM&V EXPENSES?

5 A. The 2025 projected recoverable EM&V expenses for the PUCT's EM&V contractor,
6 pursuant to 16 TAC § 25.181(o)(10), are \$67,486, as shown in Exhibit AR-01E, Table 6.
7

8 Q53. ARE THE PROPOSED 2025 ADMINISTRATIVE EXPENSES, INCLUDING R&D,
9 REASONABLE?

10 A. Yes, the Company's proposed administrative expenses, including R&D, are reasonable.
11 Pursuant to 16 TAC § 25.181(g), a utility's cost of administering its energy efficiency
12 programs shall not exceed 15% of the utility's total program costs, and the cost of R&D
13 shall not exceed 10% of the utility's total program costs for the previous program year. The
14 cumulative cost of administration and R&D shall not exceed 20% of a utility's total
15 program costs unless a good cause exception is filed. EPE's total proposed program costs
16 for 2025 are \$5,328,698 which includes administrative, R&D, EM&V, and EECRF
17 proceeding expenses and are shown in Exhibit AR-01E, Table 6. The Company's projected
18 administrative, R&D, EM&V, and EECRF proceeding costs of \$305,279 represent
19 approximately 5.73% of its projected total program costs and, when taken individually, the
20 administrative and R&D costs are well below the thresholds stated above. As such, EPE's
21 proposed 2025 administrative costs are well within the PUCT's limits and are reasonable.
22

23 Q54. DOES THIS AMOUNT INCLUDE COSTS FOR THE DISSEMINATION OF
24 INFORMATION AND OUTREACH?

25 A. Yes.
26

27 Q55. ARE THERE ANY EXISTING MARKET CONDITIONS THAT AFFECT EPE'S
28 ABILITY TO IMPLEMENT ONE OR MORE OF ITS PROPOSED ENERGY
29 EFFICIENCY PROGRAMS?

VIII. EPE's 2023 Performance Bonus

Q62. IS EPE REQUESTING A PERFORMANCE BONUS FOR 2023?

A. Yes.

Q63. CAN YOU DESCRIBE THE CALCULATION OF EPE'S ENERGY EFFICIENCY PERFORMANCE BONUS OF \$1,731,256 FOR THE 2023 PROGRAM YEAR?

A. Yes. In 2023, EPE's energy efficiency programs achieved a 20,553 kW reduction in demand. EPE's demand reduction goal for 2023 was 11,160 kW. EPE's achievement represents 184% of its goal, qualifying it for a performance bonus. 16 TAC § 25.182(e)(3) states that "a utility that exceeds 100% of its demand and energy reduction goals shall receive a bonus equal to 1% of the net benefits for every 2% that the demand reduction goal has been exceeded with a maximum of 10% of the utility's total net benefits." The performance bonus calculation is as follows:

(((Achieved Demand Reduction/Demand Goal – 100%)/2) * Net Benefits)

Because this calculation results in a performance bonus of \$7,285,410, which exceeds the maximum of 10% of EPE's total net benefits of \$17,312,562, EPE's performance bonus is capped at \$1,731,256 as shown in Exhibit AR-06E.

Q64. WAS THE PERFORMANCE BONUS REDUCED AND ALLOCATED TO EACH CLASS?

A. Yes. As ordered in Docket No. 48332, EPE calculated a bonus reduction to account for the increase in the commercial customer cap. EPE applied the same bonus reduction methodology to account for the increase in the residential customer cap. This resulted in a reduction in the performance bonus from \$1,731,256 to \$1,555,954~~638,758~~, as addressed by EPE witness Silva and shown in Exhibit VHS-05E2. 16 TAC § 25.182(e)(6) provides that any performance bonus be allocated in proportion to the program costs associated with meeting the demand and energy goals and allocated to eligible customers on a rate class basis. This allocation is addressed by EPE witness Silva and shown in Exhibit VHS-01E2.

SOAH DOCKET NO. 473-24-17664
P.U.C. DOCKET NO. 56572

APPLICATION OF EL PASO ELECTRIC	§	THE STATE OFFICE
COMPANY TO ADJUST ITS ENERGY	§	OF
EFFICIENCY COST RECOVERY	§	ADMINISTRATIVE HEARINGS
FACTOR	§	

| SECOND ERRATA TO THE DIRECT TESTIMONY

OF

RENE F. GONZALEZ

ADOPTING THE PRE-FILED TESTIMONY OF

DIRECT TESTIMONY OF

VICTOR H. SILVA

FOR

EL PASO ELECTRIC COMPANY

| ~~JUNE 12~~ AUGUST 5, 2024

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II. Adoption of Testimony	2

EXHIBITS

RFG-1E2 – Adopted Testimony of Victor H. Silva

1 A. As Supervisor in the Rates and Regulatory Affairs section, my responsibility is to supervise
2 the preparation of economic, customer, statistical, and cost studies and analysis; to develop
3 models and methodologies for cost of service, profitability, and pricing studies; and
4 conducting annualization, jurisdictional and class cost of service studies, and revenue
5 forecasts.

6
7 Q5. HAVE YOU PRESENTED TESTIMONY BEFORE ANY UTILITY REGULATORY
8 BODIES?

9 A. Yes, I have previously filed testimony with the Public Utility Commission of Texas
10 (“PUCT” or “Commission”) and testified before the New Mexico Public Regulation
11 Commission.

12
13 **II. Adoption of Testimony**

14 Q6. ARE YOU ADOPTING THE PRE-FILED TESTIMONY OF ANOTHER EPE WITNESS IN
15 THIS CASE?

16 A. Yes, I am. On May 1, 2024, Victor Silva submitted pre-filed direct testimony on behalf of EPE.
17 At that time, Mr. Silva was a Senior Rate Analyst in the Rates and Regulatory Affairs section
18 and reported to me. Mr. Silva has transferred to another position at EPE. I am adopting his
19 testimony. Specifically, I am adopting all his testimony as my testimony in this proceeding
20 except Section I, which is titled Introduction and Qualifications. The testimony I am adopting
21 begins on page 2, line 25 and continues thereafter, including his exhibits. For convenience, the
22 testimony is attached as Exhibit RFG-1E2, with the passages I am not adopting stricken
23 through.

24
25 Q7. ARE YOU MAKING ANY CHANGES TO THAT PART OF MR. SILVA'S TESTIMONY
26 YOU ARE ADOPTING?

27 A. No, I am not.

28
29 Q8. DOES THIS CONCLUDE YOUR TESTIMONY?

30 A. Yes.

DOCKET NO. 56572

APPLICATION OF EL PASO	§	
ELECTRIC COMPANY FOR APPROVAL	§	PUBLIC UTILITY COMMISSION
TO REVISE ITS ENERGY EFFICIENCY	§	OF TEXAS
COST RECOVERY FACTOR	§	

| SECOND ERRATA TO THE DIRECT TESTIMONY OF

VICTOR H. SILVA

FOR

EL PASO ELECTRIC COMPANY

| ~~JUNE 12~~ AUGUST 5, 2024

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V. EPE'S APPLICABLE COST CAPS.....	11
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EXHIBITS

- VHS-01E2 – 2025 Energy Efficiency Cost Recovery Factor ("EECRF") Calculations
- VHS-02E2 – 2025 EECRF Tariff
- VHS-03E2 – 2025 EECRF Comparison
- VHS-04E2 – 2025 Regulatory Cap Calculation
- VHS-05E2 – Program Year 2023 Bonus Reduction Calculation

~~I. Introduction~~

~~Q1. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.~~

~~A. My name is Victor H. Silva. My business address is 100 North Stanton Street, El Paso, Texas 79901.~~

~~Q2. HOW ARE YOU EMPLOYED?~~

~~A. I am employed by El Paso Electric Company ("EPE" or "Company") as a Senior Rate Analyst in the Rates and Regulatory Affairs section.~~

~~Q3. PLEASE SUMMARIZE YOUR EDUCATIONAL AND BUSINESS BACKGROUND.~~

~~A. In 2008, I graduated from The University of Texas at El Paso with a Bachelor of Business Administration with a major in Marketing. After graduation, I joined ECOS Consulting (then acquired by ECOVA and currently Engie North America Inc.) as a Texas energy efficiency program field coordinator based in El Paso, in the area of lighting technologies for various Southwest electric utilities (including EPE). I subsequently transferred within the same division to work in Arizona as a field coordinator for lighting and variable speed motor technology applications where I trained contractors, on behalf of the Arizona Public Service (APS), on the benefits of energy saving swimming pool pumps. In 2011, I obtained a position with EPE as an Energy Efficiency Program Manager in the Energy Efficiency Department managing programs for residential and commercial customers on various energy efficient technologies and customer outreach. In 2014, I relocated to Albuquerque, New Mexico to accept a position as Strategic Account Manager with Public Service of New Mexico (PNM), managing large commercial customers. In 2017, I moved back to El Paso and accepted a position with EPE in the Rate Research section of the Regulatory Affairs group as a Rate Analyst. In 2022, I received a progressive promotion as a Senior Rate Analyst.~~

~~In 2013, I received a certificate as a Certified Energy Auditor (CEA) from the Association of Energy Engineers. In 2014, I obtained a graduate certificate in HVAC technologies from El Paso Community College. In 2015, I received a graduate certificate from New Mexico State University in Public Utility Regulation & Economics.~~

~~————— In addition to the above education and professional experience, I have attended~~

professional development seminars covering rate design and energy efficiency technologies.

Q4. ~~PLEASE DESCRIBE YOUR CURRENT RESPONSIBILITIES WITH EPE.~~

A. ~~As a Senior Rate Analyst in the Rates and Regulatory Affairs section, I am responsible for preparing economic, customer, statistical, cost, and rate design studies and analysis. I prepare testimony and exhibits for EPE witnesses and am also responsible for preparing and auditing, monthly, quarterly, and annual reports. In addition to some of my responsibilities above, I also author new tariffs and update existing tariff language to respond to regulatory issues and coordinate the proper billing of customers electric bill, with changes in legislation and/or rates.~~

Q5. ~~ARE YOU SPONSORING ANY EXHIBITS IN THIS FILING?~~

A. ~~Yes, I am sponsoring the exhibits listed in the Table of Contents.~~

Q6. ~~WERE THE ATTACHED EXHIBITS PREPARED BY YOU OR UNDER YOUR SUPERVISION?~~

A. ~~Yes, they were.~~

Q7. ~~HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE UTILITY REGULATORY BODIES?~~

A. ~~Yes, in Docket Nos. 53551 & 54950 for *Application of El Paso Electric Company for Approval to Revise its Energy Efficiency Cost Recovery Factor.*~~

II. Purpose of Testimony

Q8. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?

A. The purpose of my direct testimony is to present and support the Company's request to revise its Energy Efficiency Cost Recovery Factor ("EECRF") for 2025. In my testimony, I provide a summary of the relief sought by EPE and the costs to be included in EPE's revised EECRF pursuant to the requirements of 16 Tex. Admin. Code §§ 25.181 and 25.182 (TAC) ("EE Rule") on energy efficiency. I also support the calculation of EPE's revised

EECRF rates for the billing period January 1 through December 31, 2025, based on an allocation of energy efficiency costs among the rate classes.

I discuss the impacts on EPE's filing of the cost caps provided by the EE Rule, and I present EPE's proposal to recover costs that will enable EPE to achieve demand and energy savings for 2025. Finally, I present EPE's performance bonus as adjusted consistent with the Final Order in Docket No. 48332.¹

III. Requirement to Adjust EECRF for 2025

Q9. WHAT IS THE PURPOSE OF THE EECRF TARIFF?

A. The purpose of the EECRF tariff is to allow EPE to recover (1) its proposed energy efficiency program costs; (2) the energy efficiency performance bonus amount earned for the most recent complete program year; (3) any adjustment for past over- or under-recovery, including interest, of authorized energy efficiency revenues; (4) the prior year's EECRF ratemaking proceeding expenses; and (5) costs associated with Evaluation, Measurement, and Verification ("EM&V") of energy efficiency programs.

EPE's total energy efficiency costs are currently recovered through an EECRF applicable to all non-transmission voltage level rate classes, except the Private Area Lighting Service rate class. In addition, for customers taking Interruptible Power Service, only that portion of their requirements designated as firm service is subject to the EECRF.

The EECRF rates are calculated for each rate class based on the aggregate amount of costs allocated to the rate class divided by the projected 2025 kilowatt-hours ("kWh") at the meter for the rate class. Public Utility Regulatory Act ("PURA") § 39.905(b)(4) provides that the EECRF should "ensur[e] that the costs associated with programs provided under this section and any shareholder bonus awarded are borne by the rate classes that receive the services under the programs."² EPE's rate design for the EECRF ensures that only the rate classes that are eligible to participate in the energy efficiency programs pay the EECRF. The calculation of EPE's proposed EECRF for 2025 is shown in Exhibit VHS-01E2.

¹ *Application of El Paso Electric Company to Adjust its Cost Recovery Factor and Establish Revised Cost Cap*, Docket No. 48332, Order (Jan. 17, 2019).

² Customer class is synonymous to 'rate class' in this testimony.

Q10. WHY IS EPE FILING THIS REQUEST TO ADJUST ITS EECRF FOR THE 2025 PROGRAM YEAR?

A. EPE is filing to adjust the EECRF to ensure recovery of its reasonable costs of providing energy efficiency programs pursuant to 16 TAC § 25.182(d). That section of the EE Rule requires that a utility with an EECRF apply each year to adjust its EECRF in order to reflect changes in program and administrative costs, resulting from a true-up of the prior program year's over- or under-recovery of energy efficiency costs, from any performance bonus earned based on the utility's previous year's energy efficiency program performance, in administrative costs, and the cost of EM&V allocated to the utility by the Commission. The Rule also allows recovery through the EECRF of the prior year's EECRF proceeding expenses.

IV.EPE'S Proposed 2025 EECRF

Q11. WHAT ARE THE TOTAL RECOVERABLE ENERGY EFFICIENCY COSTS THAT EPE IS SEEKING TO RECOVER IN THE PROPOSED 2025 EECRF?

A. Based on the 2025 energy efficiency program costs described in the direct testimony of EPE witness Antonio Reyes, EPE is seeking to recover ~~\$5,798,039~~\$5,704,364 through its 2025 EECRF. That amount includes the following:

- EPE's 2025 Total Proposed Energy Efficiency Program Budget of \$5,161,212.
- EPE's 2023 Energy Efficiency Performance Bonus amount of ~~\$1,638,758~~\$555,954.
- EPE's prior year (2023) EECRF proceeding expenses of ~~\$55,747~~\$44,876, composed of EPE's expenses of \$33,488 and City of El Paso expenses of ~~\$22,259~~\$11,388.
- A true-up adjustment, by rate class, of EPE's net over-recovery for 2023 of \$1,125,164, composed of \$1,059,992 net over-recovery and \$65,172 of accrued interest.
- The PUCT assigned EM&V contractor costs for 2025 of \$67,486.

Q12. ARE ANY OF THOSE COSTS, OR ANY OTHER COSTS ASSOCIATED WITH EPE'S ENERGY EFFICIENCY PROGRAMS, RECOVERED IN BASE RATES?

A. No. EPE recovers all costs directly associated with its energy efficiency programs

exclusively through the EECRF.

Q13. HOW DO THOSE COSTS COMPARE TO THE COSTS THAT EPE SOUGHT TO RECOVER THROUGH THE EECRF DURING 2024?

A. Pursuant to the Commission's Final Order in Docket No. 54950,³ EPE's 2024 EECRF was designed to recover \$5,950,008. EPE's request for 2025 total recoverable energy efficiency costs of ~~\$5,798,039~~\$5,704,364 is therefore ~~\$151,969~~\$245,644 (~~2.554~~4.13%) less than the amount included in 2024 EECRF rates.

Q14. WHAT ARE THE FACTORS THAT ACCOUNT FOR THE DECREASE IN TOTAL RECOVERABLE ENERGY EFFICIENCY COSTS FOR 2025 RELATIVE TO THOSE AUTHORIZED FOR THE 2024 EECRF?

A. Three main factors contribute to the change in total energy efficiency program costs for 2025. First, the bonus increased by ~~\$319,002~~\$401,806 from \$1,236,952 for 2022 to ~~\$1,555,954~~\$638,758 for 2023. Second, cost recovery increased from a net over-recovery of \$778,182 in 2022 to a net over-recovery of \$1,125,164 in 2023 resulting in an overall net decrease in costs of \$346,982. Finally, the program budget (before EM&V and proceeding expenses) decreased from the settlement amount of \$5,337,006 for 2024 to \$5,161,212 for 2025, primarily due to the discontinuation of the appliance recycling program.

Q15. WHAT ARE THE TOTAL PROJECTED ENERGY EFFICIENCY PROGRAM COSTS EPE IS SEEKING TO RECOVER IN THE 2025 EECRF?

A. As contained in EPE's filed 2024 Energy Efficiency Plan and Report Second Errata ("2024 EEPR"), EPE is seeking to recover total projected 2025 program costs of \$5,328,698. The 2024 EEPR Second Errata is attached as Exhibit AR-01E to EPE witness Reyes' direct testimony, and the breakdown of individual program costs is summarized in Table 6 of that exhibit.

Q16. CAN YOU EXPLAIN HOW THE PROPOSED OVER-RECOVERY TRUE-UP WAS CALCULATED?

³ *Application of El Paso Electric Company to Revise its Energy Efficiency Cost Recovery Factor and Establish a Revised Cost Cap*, Docket No. 54950, Order (Dec. 1, 2023).

1 A. Yes. The 2023 over-recovery amount of \$1,059,992 is based on the difference between the
2 actual total recoverable energy efficiency costs incurred from January 1 to December 31,
3 2023, and the actual amount of revenue recovered through the 2023 EECRF for each rate
4 class for the same period. As reported in the 2024 EEPR Second Errata (Exhibit AR-01E,
5 Table 13), the total actual costs for 2023 were \$7,158,532. The total revenue collected
6 under the authorized 2023 EECRF was \$8,218,524, which results in a total system over-
7 recovery of \$1,059,992 for the 2023 program year. This year, in addition to the over-
8 recovery, annual interest has been accrued in the amount of \$65,172 for a total over-
9 recovery amount of \$1,125,164.

10 The contribution of each rate class to the total net over-collection is attributed to
11 that rate class in the proposed 2025 EECRF.
12

13 Q17. HOW WERE THE PROPOSED EECRF RATES DETERMINED USING 2025
14 PROJECTED BILLING UNITS?

15 A. The total energy efficiency costs associated with the 2025 EECRF, consisting of the
16 proposed 2025 energy efficiency program costs, including incentives and administration,
17 EM&V costs, the prior year's EECRF proceeding expenses, and the 2023 performance
18 bonus, are first allocated to each rate class. These costs are then adjusted for the 2023
19 over/under-recovery for each rate class. The total costs by rate class are then divided by
20 2025 projected kWh sales for that rate class to produce the EECRF rate.

21 As described in the direct testimony of EPE witness Reyes, 2025 incentive costs were
22 allocated by program to each rate class based on EPE's actual 2023 energy efficiency
23 incentive costs. Similarly, EM&V costs, 2025 administrative costs, the 2023 EECRF
24 proceeding expenses, and the calculated 2023 performance bonus are allocated to rate classes
25 based on the actual incentive costs experienced in 2023.
26

27 Q18. WHAT BILLING DETERMINANTS DID EPE USE TO CALCULATE THE
28 PROPOSED 2025 EECRF RATES?

29 A. EPE utilized projected 2025 kWh sales by rate class based on EPE's 2025 Long-Term and
30 Budget Year Sales Forecast, as shown in Exhibit VHS-01E2, per 16 TAC
31 § 25.182(d)(10)(E).

Q19. HAVE YOU INCLUDED THE PRIOR YEAR BILLING DETERMINANTS IN THIS FILING?

A. Yes, the 2023 billing determinants are included in Workpaper VHS-01E2, per 16 TAC § 25.182(d)(10)(E).

Q20. DOES EPE CALCULATE OR ESTIMATE SYSTEM LOSSES FOR PURPOSES OF CALCULATING THE PROPOSED 2025 EECRF?

A. No. The forecasted 2025 kWh sales utilized in calculating the EECRF proposed herein are developed at the meter; therefore, no adjustment for losses is required.

Q21. IS EPE PROPOSING TO COMBINE ANY RATE CLASSES AS ALLOWED UNDER THE EE RULE?

A. Yes. Consistent with the Final Order in EPE's 2023 EECRF proceeding, Docket No. 54950 and prior orders, EPE requests a good cause exception to combine rate classes which receive similar services under the same energy efficiency programs, as provided for in 16 TAC § 25.182(d)(2). For the purposes of calculating the 2025 EECRF, EPE proposes to again combine Rate 34 - Cotton Gin Service rate class with the Rate 46/47 - Cogeneration Service rate class.

There is good cause to combine these rate classes because the conditions outlined in 16 TAC § 25.182(d)(2) are met and because the combination will ease administration of cost recovery.

Q22. HAVE YOU PROVIDED A PROPOSED EECRF TARIFF?

A. Yes. EPE's tariff showing the proposed 2025 EECRF is provided as Exhibit VHS-02E2 to this testimony, and is included with EPE's Application as Attachment A.

Q23. HOW DO THE PROPOSED EECRF RATES COMPARE TO THE CURRENT EECRF RATES?

A. A comparison of the proposed 2025 EECRF rates and authorized 2024 program year EECRF rates is included in Exhibit VHS-03E2 and summarized in Table 1 below.

1

Table 1				
EECRF Comparison (\$/kWh)				
Rate	Rate Class	2024 EECRF	Proposed 2025 EECRF	Change
01	Residential Service	0.001153	0.001088	(0.000065)
02	Small Commercial Service	0.000847	0.001609	0.000762
07	Outdoor Recreational Lighting	0.003375	(0.001917)	(0.005292)
08	Governmental Street Lighting Service	-	-	-
09	Governmental Traffic Signal Service	0.000000	0.000001	0.000001
11-TOU	Time-Of-Use Municipal Pumping Service	-	-	-
15	Electrolytic Refining Service	-	-	-
21	Water Heating Service	(0.000023)	(0.000025)	(0.000002)
22	Irrigation Service	(0.002171)	(0.000350)	0.001821
24	General Service	0.001167	0.000586	(0.000581)
25	Large Power Service - Sec. Pri.	0.000495	0.000134	(0.000361)
31	Military Reservation Service	-	-	-
34	Cotton Gin Service	0.000153	0.000273	0.000120
38	Interruptible Service	-	-	-
41	City / County Service	0.002178	0.004249	0.002071

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Table 1				
EECRF Comparison (\$/kWh)				
Rate	Rate Class	2024 EECRF	Proposed 2025 EECRF	Change
01	Residential Service	0.001153	0.001100	(0.000053)
02	Small Commercial Service	0.000847	0.001635	0.000788
07	Outdoor Recreational Lighting	0.003375	(0.001917)	(0.005292)
08	Governmental Street Lighting Service	-	-	-
09	Governmental Traffic Signal Service	0.000000	0.000001	0.000001
11-TOU	Time-Of-Use Municipal Pumping Service	-	-	-
15	Electrolytic Refining Service	-	-	-
21	Water Heating Service	(0.000023)	(0.000025)	(0.000002)
22	Irrigation Service	(0.002171)	(0.000350)	0.001821
24	General Service	0.001167	0.000604	(0.000563)
25	Large Power Service - Sec. Pri.	0.000495	0.000145	(0.000350)
31	Military Reservation Service	-	-	-
34	Cotton Gin Service	0.000153	0.000273	0.000120
38	Interruptible Service	-	-	-
41	City / County Service	0.002178	0.004309	0.002131

Q24. WHAT FACTORS CAUSED THE CHANGE IN EECRF TO VARY BY RATE CLASS?

A. In addition to the decrease in the 2025 proposed program budget, the increase in the 2023 performance bonus is having the most significant impact on individual rate classes. Similarly, as mentioned above with respect to factors impacting total recoverable costs, changes in the over/under-recovery have varied as well. Program costs for 2025 were assigned based on EPE's actual 2023 energy efficiency incentive costs for each class. The effects of these changes vary between rate classes and generally represent an increase for most rate classes.

Q25. HOW MUCH DO THE ENERGY EFFICIENCY PROGRAM COSTS, THE PERFORMANCE BONUS, THE PRIOR YEAR EECRF PROCEEDING EXPENSES, THE OVER- OR UNDER-RECOVERY, AND EM&V COSTS CONTRIBUTE TO THE EECRF AS PROPOSED?

A. The contribution of the individual components to each rate class's total EECRF is shown in Exhibit VHS-03E2, including the magnitude and percent contribution to the total change for each rate class from 2024 to 2025. This exhibit shows the impact, by rate class, of changes in the amounts recovered in the EECRF and the impact of each on the total rate. The Residential rate class component breakout is shown in Table 2 below. For Residential rate class customers, the increase of the proposed program budget, proceeding expenses, and EM&V costs, net against the decrease of the allocated performance bonus and the over-recovery, result in the approximate 29.1% increase in the amount to be collected through the EECRF. The individual factors affecting all rate classes as discussed above, are the same as those observed in the residential class.

Table 2 Residential Service - EECRF Comparison					
	Authorized 2024 EECRF	Proposed 2025 EECRF	Total Change	Percent Change	Percent Contribution to Total Change
Forecasted MWh Sales	2,610,109,065	2,731,184,074	121,075,009	4.6%	
Proposed Program Budget	\$ 2,900,640	\$ 2,680,097	\$ (220,543)	-7.6%	601.9%
	0.0000011	0.0000010	(0.0000018)		
Energy Efficiency Bonus	\$ 765,117	\$ 886,048	\$ 120,931	15.8%	-330.0%
	0.0000003	0.0000003	0.0000010		
Total EECRF Proceeding Expenses	\$ 40,893	\$ 23,621	\$ (17,272)	-42.2%	47.1%
	0.0000000	0.0000000	(0.0000001)		
(Over)/Under Recovery	\$ (728,374)	\$ (652,517)	\$ 75,858	-10.4%	-207.0%
	(0.0000003)	(0.0000002)	0.0000006		
EM&V Expenses	\$ 30,660	\$ 35,044	\$ 4,384	0.0%	-12.0%
	0.0000000	0.0000000	0.0000000		
Total Energy Efficiency Costs to be Recovered	\$ 3,008,935	\$ 2,972,293	\$ (36,642)	-1.2%	100.0%
	0.001153	0.001088	(0.0000645)		

Table 2 Residential Service - EECRF Comparison					
	Authorized 2024 EECRF	Proposed 2025 EECRF	Total Change	Percent Change	Percent Contribution to Total Change
Forecasted MWh Sales	2,610,109,065	2,731,184,074	121,075,009	4.6%	
Proposed Program Budget	\$ 2,900,640	\$ 2,680,097	\$ (220,543)	-7.6%	3878.4%
	0.0000011	0.0000010	(0.0000018)		
Energy Efficiency Bonus	\$ 765,117	\$ 911,281	\$ 146,164	19.1%	-2570.4%
	0.0000003	0.0000003	0.0000012		
Total EECRF Proceeding Expenses	\$ 40,893	\$ 29,344	\$ (11,549)	-28.2%	203.1%
	0.0000000	0.0000000	(0.0000001)		
(Over)/Under Recovery	\$ (728,374)	\$ (652,517)	\$ 75,858	-10.4%	-1334.0%
	(0.0000003)	(0.0000002)	0.0000006		
EM&V Expenses	\$ 30,660	\$ 35,044	\$ 4,384	0.0%	-77.1%
	0.0000000	0.0000000	0.0000000		
Total Energy Efficiency Costs to be Recovered	\$ 3,008,935	\$ 3,003,249	\$ (5,686)	-0.2%	100.0%
	0.001153	0.001100	(0.0000532)		

Q26. HOW DOES THE EECRF, AS PROPOSED, AFFECT A TYPICAL EPE RESIDENTIAL CUSTOMER?

A. As presented in Table 1 above, the EECRF for Rate 01 - Residential Service as proposed for 2025 is \$0.0010884400-per kWh, in comparison to the current rate of \$0.001153. Based on an annual average usage for 2023 of 701 kWh per month, if approved as requested, a typical residential customer will pay an EECRF charge in 2025 of 0.77 per month as compared to \$0.81 based on the current rate of \$0.001153. This represents an approximate 4.94% decrease in the EECRF rate applicable to the average residential customer, a decrease of \$0.04 per month, or about a 0.04% decrease in a residential customer's current average monthly bill of \$96.44, as shown in Workpaper VHS-01E2.

V. EPE's Applicable Cost Caps

Q27. DO THE COMMISSION'S RULES PROVIDE FOR A LIMITATION ON THE EXPENDITURES A UTILITY MAY RECOVER FOR ENERGY EFFICIENCY PROGRAMS?

A. Yes. 16 TAC § 25.182(d)(7) sets cost caps on the amount that can be charged to a customer for recovery of costs related to energy efficiency on a per kWh basis. 16 TAC § 25.182(d)(7)(C) states:

[f]or the 2019 program year and thereafter, the residential and commercial cost caps shall be calculated to be the prior period's cost caps increased or decreased by a rate equal to the most recently available calendar year's percentage change in the South urban CPI, as determined by the Federal Bureau of Labor Statistics.

Q28. WHAT IS THE COST CAP THAT IS APPLICABLE TO EPE FOR ITS 2025 PROGRAM COSTS?

A. Cost caps are adjusted based on the most recently available calendar year's percentage change in the CPI and are \$0.001017 and \$0.001626 for commercial and residential customer groups, respectively.

Q29. HOW DOES THE TOTAL OF EPE'S 2025 EECRF COSTS THAT ARE SUBJECT TO