

EL PASO ELECTRIC COMPANY  
2024 TEXAS RATE CASE FILING  
SCHEDULE C-2: DETAIL OF ORIGINAL COST OF UTILITY PLANT  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-2  
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|                            | (a)                                  | (b)                                     | (c)         | (d)         | (e)          | (f)                                  | (g)                      | (h)           |
|----------------------------|--------------------------------------|---|-------------|-------------|--------------|--------------------------------------|--------------------------|---------------|
| Line No.                   | Description                          | Beginning Balance<br>September 30, 2023 | Additions   | Retirements | Transfers    | Ending Balance<br>September 30, 2024 | Adjustments              | As Adjusted   |
| 101 & 106-Plant In Service |                                      |   |             |             |              |                                      |                          |               |
| Other Production           |                                      |   |             |             |              |                                      |                          |               |
| 34                         | 340 - Land and land rights           | 2,753,322                               | -           | -           | -            | 2,753,322                            | -                        | 2,753,322     |
| 35                         | 341 - Structures and improvements    | 55,669,699                              | 8,463,915   | -           | -            | 64,133,614                           | -                        | 64,133,614    |
| 36                         | 342 - Fuel holders, products, access | 23,312,563                              | 14,970,183  | -           | -            | 38,282,746                           | -                        | 38,282,746    |
| 37                         | 343 - Prime movers                   | 413,762,390                             | 174,663,032 | -           | -            | 588,425,421                          | (2,500,000)              | 585,925,421   |
| 38                         | 344 - Generators                     | 63,917,794                              | 17,531,791  | -           | -            | 81,449,584                           | (10,369,393)             | 71,080,191    |
| 39                         | 345 - Accessory electric equipment   | 37,635,934                              | 28,317,136  | -           | 1,749,798    | 67,702,869                           | -                        | 67,702,869    |
| 40                         | 346 - Misc power plant equipment     | 8,077,315                               | 2,775,159   | -           | -            | 10,852,474                           | -                        | 10,852,474    |
| 41                         | 347-Asset Retirement Costs           | 255,881                                 | (55,915)    | -           | -            | 199,966                              | -                        | 199,966       |
| 42                         | Other Plant In Service Adjustments   | -                                       | -           | -           | -            | -                                    | (120,636)                | (120,636)     |
| 43                         | Total Other Production               | 605,384,898                             | 246,665,300 | -           | 1,749,798    | 853,799,997                          | (12,990,029)             | 840,809,968   |
| Transmission               |                                      |   |             |             |              |                                      |                          |               |
| 44                         | 350 - Land and land rights           | 43,313,250                              | 135,507     | (14,592)    | -            | 43,434,165                           | (5,363,977)              | 38,070,188    |
| 45                         | 352 - Structures and improvements    | 14,285,816                              | 21,223,896  | (50,545)    | -            | 35,459,168                           | -                        | 35,459,168    |
| 46                         | 353 - Station equipment              | 232,903,110                             | 22,136,066  | -           | (1,749,798)  | 253,289,378                          | -                        | 253,289,378   |
| 47                         | 354 - Towers and fixtures            | 28,373,234                              | -           | -           | -            | 28,373,234                           | -                        | 28,373,234    |
| 48                         | 355 - Poles and fixtures             | 219,579,249                             | 53,219,587  | (7,629)     | -            | 272,791,206                          | -                        | 272,791,206   |
| 49                         | 356 - Overhead conductors, devices   | 95,413,447                              | 247,776     | -           | -            | 95,661,223                           | -                        | 95,661,223    |
| 50                         | 359 - Roads and trails               | 3,815,913                               | -           | (2,499)     | -            | 3,813,415                            | -                        | 3,813,415     |
| 51                         | Other Plant In Service Adjustments   | -                                       | -           | -           | -            | -                                    | (574,383)                | (574,383)     |
| 52                         | Total Transmission                   | 637,684,020                             | 96,962,832  | (75,264)    | (1,749,798)  | 732,821,789                          | <sup>1</sup> (5,938,360) | 726,883,429   |
| Distribution               |                                      |   |             |             |              |                                      |                          |               |
| 53                         | 360 - Land and land rights           | 12,018,026                              | 142,705     | -           | -            | 12,160,731                           | -                        | 12,160,731    |
| 54                         | 361 - Structures and improvements    | 35,711,203                              | 558,997     | -           | (402,252)    | 35,867,949                           | -                        | 35,867,949    |
| 55                         | 362 - Station equipment              | 372,119,104                             | 51,667,622  | -           | 402,252      | 424,188,978                          | -                        | 424,188,978   |
| 56                         | 363 - Storage battery equipment      | 2,162,780                               | -           | -           | -            | 2,162,780                            | -                        | 2,162,780     |
| 57                         | 364 - Poles, towers and fixtures     | 224,620,345                             | 21,974,160  | (653,484)   | -            | 245,941,020                          | -                        | 245,941,020   |
| 58                         | 365 - Overhead conductors, devices   | 162,451,987                             | 22,706,253  | (595,570)   | -            | 184,562,670                          | -                        | 184,562,670   |
| 59                         | 366 - Underground conduit            | 173,919,862                             | 13,493,012  | (4)         | -            | 187,412,870                          | -                        | 187,412,870   |
| 60                         | 367 - Undergrnd conductors, devices  | 205,112,824                             | 21,198,899  | (329,318)   | -            | 225,982,405                          | -                        | 225,982,405   |
| 61                         | 368 - Line transformers              | 333,602,069                             | 27,587,713  | (1,262,265) | -            | 359,927,537                          | -                        | 359,927,537   |
| 62                         | 369 - Services                       | 67,291,963                              | 4,094,527   | -           | -            | 71,386,490                           | -                        | 71,386,490    |
| 63                         | 370 - Meters                         | 96,779,539                              | 63,667,746  | -           | (37,807,178) | 122,640,107                          | -                        | 122,640,107   |
| 64                         | 371 - Installs customer premise      | 16,898,202                              | 2,201,048   | (364,644)   | -            | 18,734,606                           | -                        | 18,734,606    |
| 65                         | 373 - Street lighting, signal system | 12,689,450                              | (565,481)   | (12,281)    | -            | 12,091,688                           | -                        | 12,091,688    |
| 66                         | Other Plant In Service Adjustments   | -                                       | -           | -           | -            | -                                    | (2,395,803)              | (2,395,803)   |
| 67                         | Total Distribution                   | 1,715,357,375                           | 228,727,200 | (3,217,565) | (37,807,178) | 1,903,059,832                        | (2,395,803)              | 1,900,664,029 |

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|                            | (a)                                     | (b)                                     | (c)              | (d)             | (e)              | (f)                                  | (g)                    | (h)              |
|----------------------------|---|---|------------------|-----------------|------------------|--------------------------------------|------------------------|------------------|
| Line No.                   | Description                             | Beginning Balance<br>September 30, 2023 | Additions        | Retirements     | Transfers        | Ending Balance<br>September 30, 2024 | Adjustments            | As Adjusted      |
| 101 & 106-Plant In Service |   |   |                  |                 |                  |                                      |                        |                  |
| General                    |   |   |                  |                 |                  |                                      |                        |                  |
| 68                         | 389 - Land and land rights              | 1,685,156                               | -                | (1,596)         | -                | 1,683,560                            | -                      | 1,683,560        |
| 69                         | 390 - Structures and improvements       | 140,063,671                             | 4,462,242        | (174,967)       | -                | 144,350,945                          | -                      | 144,350,945      |
| 70                         | 391 - Office furniture, equipment       | 41,399,491                              | 4,369,112        | (89,854)        | -                | 45,678,749                           | -                      | 45,678,749       |
| 71                         | 392 - Transportation equipment          | 56,272,269                              | 4,357,228        | (3,189,297)     | -                | 57,440,200                           | -                      | 57,440,200       |
| 72                         | 393 - Stores equipment                  | 231,409                                 | -                | -               | -                | 231,409                              | -                      | 231,409          |
| 73                         | 394 - Tools, shop, garage equipment     | 8,263,308                               | 1,122,569        | -               | -                | 9,385,878                            | -                      | 9,385,878        |
| 74                         | 395 - Laboratory equipment              | 6,316,784                               | 115,595          | -               | -                | 6,432,379                            | -                      | 6,432,379        |
| 75                         | 396 - Power operated equipment          | 6,127,726                               | 118,036          | -               | -                | 6,245,761                            | -                      | 6,245,761        |
| 76                         | 397 - Communication equipment           | 39,962,125                              | 2,681,220        | -               | (1,689,568)      | 40,973,777                           | -                      | 40,973,777       |
| 77                         | 398 - Miscellaneous equipment           | 6,832,178                               | 1,375,275        | -               | -                | 8,207,453                            | -                      | 8,207,453        |
| 78                         | 399.1 - Asset Retirement Costs-Gen      | 87,400                                  | -                | -               | -                | 87,400                               | -                      | 87,400           |
| 79                         | Other Plant In Service Adjustments      | -                                       | -                | -               | -                | -                                    | <sup>1</sup> (267,084) | (267,084)        |
| 80                         | Total General                           | 307,241,516                             | 18,601,277       | (3,455,714)     | (1,689,568)      | 320,717,511                          | (267,084)              | 320,450,427      |
| 81                         | Total Plant In Service                  | \$ 6,245,560,319                        | \$ 760,733,526   | \$ (33,798,369) | \$ (58,893,396)  | \$ 6,913,602,080                     | \$ (807,182,029)       | \$ 6,106,420,051 |
| 82                         | 101 & 106 - Plant In Service            | 6,245,560,319                           | 760,733,526      | (33,798,369)    | (58,893,396)     | 6,913,602,080                        | (807,182,029)          | 6,106,420,051    |
| 83                         | 105 - Plant Held For Future Use (2)     | 8,146,188                               | 118,157          | 0               | 0                | 8,264,345                            | (4,581,423)            | 3,682,922        |
| 84                         | 107 - Construction Work In Progress (3) | 508,183,636                             | 707,588,032      | 0               | (756,690,576)    | 459,081,092                          | (459,081,092)          | 0                |
| 85                         | Total Original Cost of Plant            | \$ 6,761,890,144                        | \$ 1,468,439,714 | \$ (33,798,369) | \$ (815,583,972) | \$ 7,380,947,518                     | \$ (1,270,844,544)     | \$ 6,110,102,973 |

<sup>(1)</sup> Refer to Schedule B-1, WP B-1, Adjustment No. 1.  
Some Nuclear, Production, Transmission, Distribution  
and General plant adjustments are not available by  
individual 300 account.

<sup>(2)</sup> The Company is not requesting any CWIP in rate base in this filing.  
Refer to Schedule B-1, WP/B-1, Adjustment No. 7.

<sup>(3)</sup> For Plant held for future use adjustment, refer to Schedule B-1, WP B-1, Adjustment No. 9.

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

EL PASO ELECTRIC COMPANY  
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SCHEDULE C-03: MONTHLY DETAIL OF UTILITY PLANT IN SERVICE  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
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|          | (a)                                      | (b)            | (c)            | (d)            | (e)            | (f)            |
|----------|--|----------------|----------------|----------------|----------------|----------------|
| Line No. | Description and Account Number           | Oct - 2023     | Nov - 2023     | Dec - 2023     | Jan - 2024     | Feb - 2024     |
|          | 101.000: Electric Plant In Service       |                |                |                |                |                |
|          | Intangible                               |                |                |                |                |                |
| 1        | 303 - Misc intangible plant              | \$ 232,066,093 | \$ 233,832,773 | \$ 237,668,866 | \$ 243,812,800 | \$ 243,671,487 |
| 2        | Subtotal Intangible                      | 232,066,093    | 233,832,773    | 237,668,866    | 243,812,800    | 243,671,487    |
|          | Steam Production                         |                |                |                |                |                |
| 3        | 310 - Land and land rights               | 282,846        | 282,846        | 282,846        | 282,846        | 282,846        |
| 4        | 311 - Structures and improvements        | 82,253,630     | 82,277,562     | 82,968,999     | 82,943,874     | 83,062,666     |
| 5        | 312 - Boiler plant equipment             | 204,120,141    | 206,557,997    | 216,811,696    | 212,156,738    | 212,156,738    |
| 6        | 313 - Engines/eng-driven generators      | 82,342,309     | 82,357,542     | 82,413,535     | 82,416,071     | 82,416,071     |
| 7        | 314 - Turbogenerator units               | 189,884,187    | 189,884,187    | 190,034,412    | 190,034,412    | 190,129,367    |
| 8        | 315 - Accessory electric equipment       | 48,755,762     | 48,755,762     | 48,783,366     | 48,783,366     | 48,788,276     |
| 9        | 316 - Misc power plant equipment         | 56,928,088     | 56,928,088     | 56,960,395     | 56,960,395     | 56,960,395     |
| 10       | 317 - Asset Retirement Costs-Steam       | 828,823        | 592,906        | 1,371,646      | 1,371,646      | 1,371,646      |
| 11       | N/A - Other Plant In Service Adjustments |                |                |                |                |                |
| 12       | Subtotal Steam Production                | 665,395,785    | 667,636,891    | 679,626,895    | 674,949,347    | 675,168,004    |
|          | Nuclear Production                       |                |                |                |                |                |
| 13       | 303 - Misc intangible plant              | 64,064,307     | 64,064,307     | 64,064,307     | 64,064,307     | 64,064,307     |
| 14       | 320 - Land and land rights               | 2,348,106      | 2,348,106      | 2,348,106      | 2,348,106      | 2,348,106      |
| 15       | 321 - Structures and improvements        | 572,832,936    | 572,270,386    | 572,234,894    | 572,446,070    | 572,726,956    |
| 16       | 322 - Reactor plant equipment            | 825,581,868    | 822,107,052    | 832,821,453    | 834,040,827    | 836,203,298    |
| 17       | 323 - Turbogenerator units               | 278,682,461    | 280,358,741    | 283,430,381    | 283,361,439    | 283,359,651    |
| 18       | 324 - Accessory electric equipment       | 188,457,073    | 188,584,979    | 188,550,093    | 188,550,093    | 188,584,705    |
| 19       | 325 - Misc power plant equipment         | 156,796,548    | 157,101,296    | 157,085,460    | 157,087,891    | 157,779,705    |
| 20       | 326 - Asset Retirement Costs-Nuclea      | (39,726,967)   | (39,726,967)   | (34,759,475)   | (34,759,475)   | (34,759,475)   |
| 21       | 350 - Land and land rights               | 10,644         | 10,644         | 10,644         | 10,644         | 10,644         |
| 22       | 353 - Station equipment                  | 14,890,327     | 14,890,327     | 14,890,327     | 14,890,327     | 14,890,327     |
| 23       | 354 - Towers and fixtures                | 1,485,918      | 1,485,918      | 1,485,918      | 1,485,918      | 1,485,918      |
| 24       | 356 - Overhead conductors, devices       | 258,414        | 258,414        | 258,414        | 258,414        | 258,414        |
| 25       | 391 - Office furniture, equipment        | 1,287,323      | 1,279,912      | 1,279,912      | 1,279,912      | 1,279,912      |
| 26       | 392 - Transportation equipment           | 4,294,131      | 4,294,131      | 4,294,131      | 4,294,131      | 4,294,131      |
| 27       | 393 - Stores equipment                   | 13,550         | 13,550         | 13,550         | 13,550         | 13,550         |
| 28       | 394 - Tools, shop, garage equipment      | 1,416,018      | 1,416,018      | 1,416,018      | 1,416,018      | 1,416,018      |
| 29       | 396 - Power operated equipment           | 4,921,844      | 4,921,844      | 4,921,844      | 4,921,844      | 4,921,844      |
| 30       | 397 - Communication equipment            | 4,234,548      | 4,234,548      | 4,234,548      | 4,234,548      | 4,234,548      |
| 31       | 398 - Miscellaneous equipment            | 35,578         | 35,578         | 35,578         | 35,578         | 35,578         |
| 32       | N/A - Other Plant In Service Adjustments |                |                |                |                |                |
|          | Subtotal Nuclear Production              | 2,081,884,628  | 2,079,948,785  | 2,098,616,104  | 2,099,980,143  | 2,103,148,138  |

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PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
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|          | (a)                                      | (b)           | (c)           | (d)           | (e)           | (f)           |
|----------|--|---------------|---------------|---------------|---------------|---------------|
| Line No. | Description and Account Number           | Oct - 2023    | Nov - 2023    | Dec - 2023    | Jan - 2024    | Feb - 2024    |
|          | 101.000: Electric Plant In Service       |               |               |               |               |               |
|          | Other Production                         |               |               |               |               |               |
| 33       | 340 - Land and land rights               | 2,753,322     | 2,753,322     | 2,753,322     | 2,753,322     | 2,753,322     |
| 34       | 341 - Structures and improvements        | 55,693,939    | 55,782,538    | 63,794,137    | 63,443,509    | 63,946,052    |
| 35       | 342 - Fuel holders, products, access     | 23,313,877    | 23,313,877    | 37,789,961    | 37,238,358    | 37,989,289    |
| 36       | 343 - Prime movers                       | 413,886,815   | 414,120,145   | 561,730,297   | 558,103,935   | 567,577,787   |
| 37       | 344 - Generators                         | 63,917,793    | 63,917,793    | 81,162,258    | 80,699,324    | 81,312,767    |
| 38       | 345 - Accessory electric equipment       | 37,635,934    | 38,362,401    | 66,284,520    | 65,620,607    | 66,464,091    |
| 39       | 346 - Misc power plant equipment         | 8,093,738     | 8,093,738     | 10,618,467    | 10,554,763    | 10,680,301    |
| 40       | 347 - Asset Retirement Costs -Other      | 255,881       | 255,881       | 199,966       | 199,966       | 199,966       |
| 41       | N/A - Other Plant In Service Adjustments |               |               |               |               |               |
|          | Subtotal Other Production                | 605,551,299   | 606,599,695   | 824,332,928   | 818,613,784   | 830,923,576   |
|          | Transmission                             |               |               |               |               |               |
| 42       | 350 - Land and land rights               | 43,316,803    | 43,321,481    | 43,325,399    | 43,325,399    | 43,333,745    |
| 43       | 352 - Structures and improvements        | 14,708,349    | 34,400,528    | 34,472,561    | 34,474,775    | 34,476,976    |
| 44       | 353 - Station equipment                  | 233,703,814   | 237,679,764   | 246,818,146   | 247,407,269   | 248,445,763   |
| 45       | 354 - Towers and fixtures                | 28,373,234    | 28,373,234    | 28,373,234    | 28,373,234    | 28,373,234    |
| 46       | 355 - Poles and fixtures                 | 219,553,452   | 220,736,452   | 260,597,376   | 260,881,544   | 262,006,835   |
| 47       | 356 - Overhead conductors, devices       | 95,499,555    | 95,504,309    | 95,494,410    | 95,494,410    | 95,494,410    |
| 48       | 359 - Roads and trails                   | 3,815,913     | 3,815,913     | 3,815,913     | 3,815,913     | 3,815,913     |
| 49       | N/A - Other Plant In Service Adjustments |               |               |               |               |               |
|          | Subtotal Transmission                    | 638,971,121   | 663,831,682   | 712,897,039   | 713,772,545   | 715,946,877   |
|          | Distribution                             |               |               |               |               |               |
| 50       | 360 - Land and land rights               | 12,021,440    | 12,021,440    | 12,021,440    | 12,021,440    | 12,021,440    |
| 51       | 361 - Structures and improvements        | 35,790,289    | 35,843,445    | 35,864,749    | 35,870,173    | 35,870,258    |
| 52       | 362 - Station equipment                  | 372,026,254   | 397,456,125   | 405,223,294   | 403,596,765   | 405,268,570   |
| 53       | 363 - Storage battery equipment          | 2,162,780     | 2,162,780     | 2,162,780     | 2,162,780     | 2,162,780     |
| 54       | 364 - Poles, towers and fixtures         | 225,779,755   | 226,841,697   | 230,440,876   | 230,637,590   | 231,485,369   |
| 55       | 365 - Overhead conductors, devices       | 163,387,960   | 165,875,950   | 167,968,674   | 171,498,931   | 172,308,486   |
| 56       | 366 - Underground conduit                | 174,507,632   | 176,490,752   | 179,366,566   | 179,841,714   | 180,406,449   |
| 57       | 367 - Undergrnd conductors, devices      | 205,762,962   | 206,389,531   | 208,730,104   | 210,374,267   | 211,923,521   |
| 58       | 368 - Line transformers                  | 335,226,834   | 336,518,979   | 339,935,581   | 342,653,643   | 344,976,135   |
| 59       | 369 - Services                           | 67,629,980    | 67,936,671    | 68,399,815    | 68,738,675    | 69,040,736    |
| 60       | 370 - Meters                             | 109,517,899   | 53,472,733    | 54,512,960    | 56,351,589    | 70,539,600    |
| 61       | 371 - Installs customer premise          | 16,924,510    | 17,070,079    | 18,035,022    | 18,183,133    | 18,230,253    |
| 62       | 373 - Street lighting, signal system     | 12,683,743    | 12,711,677    | 11,972,860    | 11,981,323    | 11,994,570    |
| 63       | N/A - Other Plant In Service Adjustments |               |               |               |               |               |
|          | Subtotal Distribution                    | 1,733,422,038 | 1,710,791,859 | 1,734,634,721 | 1,743,912,023 | 1,766,228,167 |

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FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
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|          | (a)   | (b)              | (c)              | (d)              | (e)              | (f)              |
|----------|---|------------------|------------------|------------------|------------------|------------------|
| Line No. | Description and Account Number              | Oct - 2023       | Nov - 2023       | Dec - 2023       | Jan - 2024       | Feb - 2024       |
|          | 101.000: Electric Plant In Service          |                  |                  |                  |                  |                  |
|          | General                                     |                  |                  |                  |                  |                  |
| 64       | 389 - Land and land rights                  | 1,685,156        | 1,685,156        | 1,685,156        | 1,685,156        | 1,685,156        |
| 65       | 390 - Structures and improvements           | 140,366,540      | 140,732,871      | 140,900,906      | 141,632,198      | 141,674,972      |
| 66       | 391 - Office furniture, equipment           | 42,878,769       | 43,159,290       | 43,621,158       | 43,790,350       | 43,929,912       |
| 67       | 392 - Transportation equipment              | 57,542,160       | 57,542,160       | 59,967,014       | 59,967,014       | 59,967,014       |
| 68       | 393 - Stores equipment                      | 231,409          | 231,409          | 231,409          | 231,409          | 231,409          |
| 69       | 394 - Tools, shop, garage equipment         | 8,313,224        | 8,402,655        | 8,688,433        | 8,958,959        | 8,968,686        |
| 70       | 395 - Laboratory equipment                  | 6,124,450        | 6,134,355        | 6,179,983        | 6,184,585        | 6,283,375        |
| 71       | 396 - Power operated equipment              | 6,127,726        | 6,129,765        | 6,169,318        | 6,182,799        | 6,182,799        |
| 72       | 397 - Communication equipment               | 39,962,751       | 39,987,634       | 40,632,105       | 40,840,889       | 40,085,440       |
| 73       | 398 - Miscellaneous equipment               | 6,882,076        | 6,910,772        | 7,286,125        | 7,265,646        | 7,363,632        |
| 74       | 399.1 Asset Retirement Costs-Gen            | 87,399           | 87,399           | 87,400           | 87,400           | 87,400           |
| 75       | N/A - Other Plant In Service Adjustments    |                  |                  |                  |                  |                  |
| 76       | Subtotal General                            | 310,201,661      | 311,003,465      | 315,449,006      | 316,826,405      | 316,459,795      |
| 77       | Subtotal 101.000: Electric Plant In Service | 6,267,492,624    | 6,273,645,150    | 6,603,225,559    | 6,611,867,047    | 6,651,546,044    |
| 78       | 101 - Electric Plant In Service             | 6,267,492,624    | 6,273,645,150    | 6,603,225,559    | 6,611,867,047    | 6,651,546,044    |
| 79       | 105 - Plant Held For Future Use             | 8,172,918        | 8,172,918        | 8,172,918        | 8,172,918        | 8,172,918        |
| 80       | 107 - Construction Work In Progress         | 522,043,245      | 537,239,954      | 304,479,103      | 320,620,057      | 338,945,868      |
| 81       | Total                                       | \$ 6,797,708,787 | \$ 6,819,058,023 | \$ 6,915,877,580 | \$ 6,940,660,022 | \$ 6,998,664,829 |

(A) Refer to Schedule B-1 WP B-1, Adjustment No. 1. Some Nuclear, Transmission, Distribution and General adjustments are not available by individual 300 account.

(B) The Company is not requesting any CWIP in rate base in this filing. Refer to Schedule B-1, WP/B-1, Adjustment No. 7.

(C) For Plant held for future use adjustment, refer to Schedule B-1, WP B-1, Adjustment No. 9. Refer to Schedule B-1, WP B-1, Adjustment No. 9.  
Amounts may not add or tie to other schedules due to rounding.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-03: MONTHLY DETAIL OF UTILITY PLANT IN SERVICE  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
PAGE 4 OF 9

|          | (a)                                      | (g)            | (h)            | (b)            | (c)            | (d)            |
|----------|--|----------------|----------------|----------------|----------------|----------------|
| Line No. | Description and Account Number           | Mar - 2024     | Apr - 2024     | May - 2024     | Jun - 2024     | Jul - 2024     |
|          | 101.000: Electric Plant In Service       |                |                |                |                |                |
|          | Intangible                               |                |                |                |                |                |
| 1        | 303 - Misc intangible plant              | \$ 223,496,330 | \$ 226,563,592 | \$ 225,212,768 | \$ 225,997,160 | \$ 227,938,303 |
| 2        | Subtotal Intangible                      | 223,496,330    | 226,563,592    | 225,212,768    | 225,997,160    | 227,938,303    |
|          | Steam Production                         |                |                |                |                |                |
| 3        | 310 - Land and land rights               | 282,846        | 282,846        | 282,846        | 282,846        | 282,846        |
| 4        | 311 - Structures and improvements        | 83,287,786     | 84,464,315     | 84,478,234     | 84,618,230     | 85,023,442     |
| 5        | 312 - Boiler plant equipment             | 212,178,482    | 212,181,236    | 217,279,528    | 221,345,088    | 223,186,238    |
| 6        | 313 - Engines/eng-driven generators      | 82,417,654     | 82,417,654     | 100,143,550    | 128,035,474    | 128,347,983    |
| 7        | 314 - Turbogenerator units               | 191,165,116    | 201,623,201    | 203,170,447    | 214,750,967    | 214,950,914    |
| 8        | 315 - Accessory electric equipment       | 48,788,276     | 48,788,276     | 48,788,276     | 48,788,276     | 49,038,585     |
| 9        | 316 - Misc power plant equipment         | 56,960,395     | 56,974,130     | 57,017,968     | 57,017,034     | 57,020,198     |
| 10       | 317 - Asset Retirement Costs-Steam       | 1,371,646      | 1,371,646      | 1,371,646      | 1,371,646      | 1,371,646      |
| 11       | N/A - Other Plant In Service Adjustments |                |                |                |                |                |
| 12       | Subtotal Steam Production                | 676,452,202    | 688,103,303    | 712,532,494    | 756,209,560    | 759,221,852    |
|          | Nuclear Production                       |                |                |                |                |                |
| 13       | 303 - Misc intangible plant              | 63,177,909     | 63,177,909     | 63,189,367     | 63,189,367     | 70,841,581     |
| 14       | 320 - Land and land rights               | 2,348,106      | 2,348,106      | 2,348,106      | 2,348,106      | 2,348,106      |
| 15       | 321 - Structures and improvements        | 571,687,602    | 571,690,165    | 571,850,585    | 571,853,762    | 571,301,531    |
| 16       | 322 - Reactor plant equipment            | 837,673,908    | 837,741,495    | 837,640,263    | 839,268,883    | 839,437,197    |
| 17       | 323 - Turbogenerator units               | 283,369,592    | 281,943,145    | 281,947,144    | 282,036,504    | 281,741,452    |
| 18       | 324 - Accessory electric equipment       | 188,585,402    | 188,583,351    | 188,614,991    | 188,653,817    | 188,639,012    |
| 19       | 325 - Misc power plant equipment         | 157,850,567    | 157,852,972    | 163,698,212    | 163,703,125    | 163,681,054    |
| 20       | 326 - Asset Retirement Costs-Nuclea      | (34,759,475)   | (34,759,475)   | (34,759,475)   | (34,759,475)   | (34,759,475)   |
| 21       | 350 - Land and land rights               | 10,644         | 10,644         | 10,644         | 10,644         | 10,644         |
| 22       | 353 - Station equipment                  | 14,890,327     | 14,890,327     | 14,890,327     | 14,890,327     | 14,890,327     |
| 23       | 354 - Towers and fixtures                | 1,485,918      | 1,485,918      | 1,485,918      | 1,485,918      | 1,485,918      |
| 24       | 356 - Overhead conductors, devices       | 258,414        | 258,414        | 258,414        | 258,414        | 258,414        |
| 25       | 391 - Office furniture, equipment        | 1,279,912      | 1,279,912      | 1,279,912      | 1,279,912      | 1,279,912      |
| 26       | 392 - Transportation equipment           | 4,294,131      | 4,294,131      | 4,294,131      | 4,294,131      | 4,294,131      |
| 27       | 393 - Stores equipment                   | 13,550         | 13,550         | 13,550         | 13,550         | 13,550         |
| 28       | 394 - Tools, shop, garage equipment      | 1,416,018      | 1,416,018      | 1,416,018      | 1,416,018      | 1,416,018      |
| 29       | 396 - Power operated equipment           | 4,921,844      | 4,921,844      | 4,921,844      | 4,921,844      | 4,921,844      |
| 30       | 397 - Communication equipment            | 4,234,548      | 4,234,548      | 4,234,548      | 4,234,548      | 4,234,548      |
| 31       | 398 - Miscellaneous equipment            | 35,578         | 35,578         | 35,578         | 35,578         | 35,578         |
| 32       | N/A - Other Plant In Service Adjustments |                |                |                |                |                |
|          | Subtotal Nuclear Production              | 2,102,774,496  | 2,101,418,553  | 2,107,370,077  | 2,109,134,974  | 2,116,071,343  |

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-03: MONTHLY DETAIL OF UTILITY PLANT IN SERVICE  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
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|          | (a)                                      | (g)           | (h)           | (b)           | (c)           | (d)           |
|----------|--|---------------|---------------|---------------|---------------|---------------|
| Line No. | Description and Account Number           | Mar - 2024    | Apr - 2024    | May - 2024    | Jun - 2024    | Jul - 2024    |
|          | 101.000: Electric Plant In Service       |               |               |               |               |               |
|          | Other Production                         |               |               |               |               |               |
| 33       | 340 - Land and land rights               | 2,753,322     | 2,753,322     | 2,753,322     | 2,753,322     | 2,753,322     |
| 34       | 341 - Structures and improvements        | 64,016,285    | 64,087,985    | 64,088,840    | 64,093,716    | 64,374,979    |
| 35       | 342 - Fuel holders, products, access     | 38,007,252    | 38,103,342    | 38,147,104    | 38,213,198    | 38,751,192    |
| 36       | 343 - Prime movers                       | 569,467,922   | 569,752,456   | 578,325,644   | 586,862,059   | 585,666,239   |
| 37       | 344 - Generators                         | 81,332,412    | 81,362,357    | 81,367,492    | 81,371,825    | 81,986,499    |
| 38       | 345 - Accessory electric equipment       | 66,513,361    | 66,554,535    | 66,566,406    | 66,577,686    | 68,117,001    |
| 39       | 346 - Misc power plant equipment         | 10,683,197    | 10,686,940    | 10,716,180    | 10,717,042    | 10,929,088    |
| 40       | 347 - Asset Retirement Costs -Other      | 199,966       | 199,966       | 199,966       | 199,966       | 199,966       |
| 41       | N/A - Other Plant In Service Adjustments |               |               |               |               |               |
|          | Subtotal Other Production                | 832,973,717   | 833,500,903   | 842,164,955   | 850,788,814   | 852,778,285   |
|          | Transmission                             |               |               |               |               |               |
| 42       | 350 - Land and land rights               | 43,335,800    | 43,336,778    | 43,336,778    | 43,337,741    | 43,405,419    |
| 43       | 352 - Structures and improvements        | 34,478,975    | 34,478,975    | 34,478,975    | 34,646,729    | 35,062,183    |
| 44       | 353 - Station equipment                  | 249,570,282   | 249,813,091   | 250,611,537   | 250,661,305   | 251,207,725   |
| 45       | 354 - Towers and fixtures                | 28,373,234    | 28,373,234    | 28,373,234    | 28,373,234    | 28,373,234    |
| 46       | 355 - Poles and fixtures                 | 262,766,912   | 263,648,853   | 263,775,741   | 270,518,914   | 271,247,750   |
| 47       | 356 - Overhead conductors, devices       | 95,494,410    | 95,528,306    | 95,530,906    | 95,530,906    | 95,647,796    |
| 48       | 359 - Roads and trails                   | 3,815,913     | 3,815,913     | 3,815,913     | 3,815,913     | 3,815,913     |
| 49       | N/A - Other Plant In Service Adjustments |               |               |               |               |               |
|          | Subtotal Transmission                    | 717,835,528   | 718,995,151   | 719,923,086   | 726,884,743   | 728,760,021   |
|          | Distribution                             |               |               |               |               |               |
| 50       | 360 - Land and land rights               | 12,021,440    | 12,021,440    | 12,069,152    | 12,069,152    | 12,069,152    |
| 51       | 361 - Structures and improvements        | 35,871,468    | 35,903,369    | 35,904,673    | 35,905,227    | 35,510,676    |
| 52       | 362 - Station equipment                  | 405,481,960   | 406,180,606   | 406,719,251   | 420,907,831   | 422,283,387   |
| 53       | 363 - Storage battery equipment          | 2,162,780     | 2,162,780     | 2,162,780     | 2,162,780     | 2,162,780     |
| 54       | 364 - Poles, towers and fixtures         | 232,914,784   | 234,281,975   | 235,801,808   | 238,067,834   | 240,208,518   |
| 55       | 365 - Overhead conductors, devices       | 173,897,445   | 176,032,101   | 177,377,547   | 178,412,681   | 181,206,882   |
| 56       | 366 - Underground conduit                | 181,515,675   | 182,218,338   | 182,971,895   | 184,389,363   | 186,282,086   |
| 57       | 367 - Undergrnd conductors, devices      | 213,681,025   | 214,829,625   | 215,677,540   | 217,358,537   | 217,817,971   |
| 58       | 368 - Line transformers                  | 346,535,898   | 348,451,833   | 350,464,570   | 352,447,699   | 354,348,301   |
| 59       | 369 - Services                           | 69,388,793    | 69,736,338    | 70,055,333    | 70,443,353    | 70,644,636    |
| 60       | 370 - Meters                             | 94,783,926    | 98,290,525    | 103,231,882   | 109,929,095   | 113,314,829   |
| 61       | 371 - Installs customer premise          | 18,332,863    | 18,449,800    | 18,451,137    | 18,516,639    | 18,620,790    |
| 62       | 373 - Street lighting, signal system     | 12,012,715    | 12,029,299    | 12,042,993    | 12,061,512    | 12,071,605    |
| 63       | N/A - Other Plant In Service Adjustments |               |               |               |               |               |
|          | Subtotal Distribution                    | 1,798,600,773 | 1,810,588,030 | 1,822,930,560 | 1,852,671,704 | 1,866,541,613 |

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-03: MONTHLY DETAIL OF UTILITY PLANT IN SERVICE  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
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|          | (a)   | (g)              | (h)              | (b)              | (c)              | (d)              |
|----------|---|------------------|------------------|------------------|------------------|------------------|
| Line No. | Description and Account Number              | Mar - 2024       | Apr - 2024       | May - 2024       | Jun - 2024       | Jul - 2024       |
|          | 101.000: Electric Plant In Service          |                  |                  |                  |                  |                  |
|          | General                                     |                  |                  |                  |                  |                  |
| 64       | 389 - Land and land rights                  | 1,685,156        | 1,685,156        | 1,685,156        | 1,685,156        | 1,683,560        |
| 65       | 390 - Structures and improvements           | 141,780,337      | 143,499,769      | 143,787,943      | 143,925,439      | 144,046,985      |
| 66       | 391 - Office furniture, equipment           | 44,008,500       | 44,770,827       | 44,830,731       | 44,877,193       | 44,930,948       |
| 67       | 392 - Transportation equipment              | 59,967,014       | 59,967,014       | 59,967,014       | 57,013,314       | 57,440,200       |
| 68       | 393 - Stores equipment                      | 231,409          | 231,409          | 231,409          | 231,409          | 231,409          |
| 69       | 394 - Tools, shop, garage equipment         | 8,988,335        | 9,084,984        | 9,148,485        | 9,187,081        | 9,228,946        |
| 70       | 395 - Laboratory equipment                  | 6,298,986        | 6,374,708        | 6,387,318        | 6,417,995        | 6,424,126        |
| 71       | 396 - Power operated equipment              | 6,182,799        | 6,182,799        | 6,190,671        | 6,200,158        | 6,200,158        |
| 72       | 397 - Communication equipment               | 39,789,243       | 39,840,756       | 39,882,311       | 40,006,182       | 40,609,527       |
| 73       | 398 - Miscellaneous equipment               | 7,650,695        | 7,666,163        | 7,696,082        | 7,749,945        | 7,778,488        |
| 74       | 399.1 Asset Retirement Costs-Gen            | 87,400           | 87,400           | 87,400           | 87,400           | 87,400           |
| 75       | N/A - Other Plant In Service Adjustments    |                  |                  |                  |                  |                  |
| 76       | Subtotal General                            | 316,669,873      | 319,390,985      | 319,894,519      | 317,381,272      | 318,661,747      |
| 77       | Subtotal 101.000: Electric Plant In Service | 6,668,802,919    | 6,698,560,517    | 6,750,028,460    | 6,839,068,228    | 6,869,973,165    |
| 78       | 101 - Electric Plant In Service             | 6,668,802,919    | 6,698,560,517    | 6,750,028,460    | 6,839,068,228    | 6,869,973,165    |
| 79       | 105 - Plant Held For Future Use             | 8,172,918        | 8,264,345        | 8,264,345        | 8,264,345        | 8,264,345        |
| 80       | 107 - Construction Work In Progress         | 355,068,196      | 364,704,392      | 366,571,225      | 328,440,848      | 341,997,802      |
| 81       | Total                                       | \$ 7,032,044,032 | \$ 7,071,529,253 | \$ 7,124,864,029 | \$ 7,175,773,420 | \$ 7,220,235,312 |

(A) Refer to Schedule B-1 WP B-1, Adjustment No. 1. Some Nuclear, Transmission, Distribution and General adjustments are not available by individual 300 account.

(B) The Company is not requesting any CWIP in rate base in this filing. Refer to Schedule B-1, WP/B-1, Adjustment No. 7.

(C) For Plant held for future use adjustment, refer to Schedule B-1, WP B-1, Adjustment No. 9. Refer to Schedule B-1, WP B-1, Adjustment No. 9.  
Amounts may not add or tie to other schedules due to rounding.



EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-03: MONTHLY DETAIL OF UTILITY PLANT IN SERVICE  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
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|          | (a)                                      | (e)            | (f)            | (l)           | (j)           |
|----------|--|----------------|----------------|---------------|---------------|
| Line No. | Description and Account Number           | Aug - 2024     | Sep - 2024     | Adjustments   | As Adjusted   |
|          | 101.000: Electric Plant In Service       |                |                |               |               |
|          | Intangible                               |                |                |               |               |
| 1        | 303 - Misc intangible plant              | \$ 229,903,491 | \$ 235,000,812 | (310,394)     | 234,690,418   |
| 2        | Subtotal Intangible                      | 229,903,491    | 235,000,812    | (310,394)     | 234,690,418   |
|          | Steam Production                         |                |                |               |               |
| 3        | 310 - Land and land rights               | 282,846        | 282,846        | 0             | 282,846       |
| 4        | 311 - Structures and improvements        | 85,106,933     | 85,462,475     | 0             | 85,462,475    |
| 5        | 312 - Boiler plant equipment             | 224,492,638    | 225,255,744    | 0             | 225,255,744   |
| 6        | 313 - Engines/eng-driven generators      | 128,539,280    | 129,086,890    | (1,800,000)   | 127,286,890   |
| 7        | 314 - Turbogenerator units               | 216,178,240    | 216,445,064    | 0             | 216,445,064   |
| 8        | 315 - Accessory electric equipment       | 49,043,950     | 49,116,852     | 0             | 49,116,852    |
| 9        | 316 - Misc power plant equipment         | 57,107,838     | 45,909,778     | 0             | 45,909,778    |
| 10       | 317 - Asset Retirement Costs-Steam       | 1,371,646      | 1,371,646      | 0             | 1,371,646     |
| 11       | N/A - Other Plant In Service Adjustments |                |                | (84,463)      | (84,463)      |
| 12       | Subtotal Steam Production                | 762,123,370    | 752,931,296    | (1,884,463)   | 751,046,833   |
|          | Nuclear Production                       |                |                |               |               |
| 13       | 303 - Misc intangible plant              | 70,720,265     | 70,797,502     | 0             | 70,797,502    |
| 14       | 320 - Land and land rights               | 2,348,106      | 2,348,106      | 0             | 2,348,106     |
| 15       | 321 - Structures and improvements        | 571,830,149    | 571,795,779    | 0             | 571,795,779   |
| 16       | 322 - Reactor plant equipment            | 838,400,696    | 838,140,340    | 0             | 838,140,340   |
| 17       | 323 - Turbogenerator units               | 281,623,440    | 281,664,138    | 0             | 281,664,138   |
| 18       | 324 - Accessory electric equipment       | 188,451,893    | 188,451,530    | 0             | 188,451,530   |
| 19       | 325 - Misc power plant equipment         | 163,669,808    | 163,672,013    | 0             | 163,672,013   |
| 20       | 326 - Asset Retirement Costs-Nuclear     | (34,759,475)   | (34,759,475)   | 0             | (34,759,475)  |
| 21       | 350 - Land and land rights               | 10,644         | 10,644         | 0             | 10,644        |
| 22       | 353 - Station equipment                  | 14,890,327     | 14,890,327     | 0             | 14,890,327    |
| 23       | 354 - Towers and fixtures                | 1,485,918      | 1,485,918      | 0             | 1,485,918     |
| 24       | 356 - Overhead conductors, devices       | 258,414        | 258,414        | 0             | 258,414       |
| 25       | 391 - Office furniture, equipment        | 1,279,912      | 1,279,912      | 0             | 1,279,912     |
| 26       | 392 - Transportation equipment           | 4,294,131      | 4,293,823      | 0             | 4,293,823     |
| 27       | 393 - Stores equipment                   | 13,550         | 13,550         | 0             | 13,550        |
| 28       | 394 - Tools, shop, garage equipment      | 1,416,018      | 1,416,018      | 0             | 1,416,018     |
| 29       | 396 - Power operated equipment           | 4,921,844      | 4,921,844      | 0             | 4,921,844     |
| 30       | 397 - Communication equipment            | 4,234,548      | 4,234,548      | 0             | 4,234,548     |
| 31       | 398 - Miscellaneous equipment            | 35,578         | 355,911        | 0             | 355,911       |
| 32       | N/A - Other Plant In Service Adjustments |                |                | (783,395,896) | (783,395,896) |
|          | Subtotal Nuclear Production              | 2,115,125,768  | 2,115,270,844  | (783,395,896) | 1,331,874,948 |

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-03: MONTHLY DETAIL OF UTILITY PLANT IN SERVICE  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
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|          | (a)                                      | (e)           | (f)           | (l)          | (j)           |
|----------|--|---------------|---------------|--------------|---------------|
| Line No. | Description and Account Number           | Aug - 2024    | Sep - 2024    | Adjustments  | As Adjusted   |
|          | 101.000: Electric Plant In Service       |               |               |              |               |
|          | Other Production                         |               |               |              |               |
| 33       | 340 - Land and land rights               | 2,753,322     | 2,753,322     | 0            | 2,753,322     |
| 34       | 341 - Structures and improvements        | 64,105,547    | 64,133,614    | 0            | 64,133,614    |
| 35       | 342 - Fuel holders, products, access     | 38,278,257    | 38,282,746    | 0            | 38,282,746    |
| 36       | 343 - Prime movers                       | 588,244,782   | 588,425,421   | (2,500,000)  | 585,925,421   |
| 37       | 344 - Generators                         | 81,444,454    | 81,449,584    | (10,369,393) | 71,080,191    |
| 38       | 345 - Accessory electric equipment       | 67,570,354    | 67,702,869    | 0            | 67,702,869    |
| 39       | 346 - Misc power plant equipment         | 10,861,582    | 10,852,474    | 0            | 10,852,474    |
| 40       | 347 - Asset Retirement Costs -Other      | 199,966       | 199,966       | 0            | 199,966       |
| 41       | N/A - Other Plant In Service Adjustments |               |               | (120,636)    | (120,636)     |
|          | Subtotal Other Production                | 853,458,264   | 853,799,997   | (12,990,029) | 840,809,968   |
|          | Transmission                             |               |               |              |               |
| 42       | 350 - Land and land rights               | 43,422,855    | 43,434,165    | (5,363,977)  | 38,070,188    |
| 43       | 352 - Structures and improvements        | 35,396,989    | 35,459,168    | 0            | 35,459,168    |
| 44       | 353 - Station equipment                  | 251,520,442   | 253,289,378   | 0            | 253,289,378   |
| 45       | 354 - Towers and fixtures                | 28,373,234    | 28,373,234    | 0            | 28,373,234    |
| 46       | 355 - Poles and fixtures                 | 272,543,655   | 272,791,206   | 0            | 272,791,206   |
| 47       | 356 - Overhead conductors, devices       | 95,658,864    | 95,661,223    | 0            | 95,661,223    |
| 48       | 359 - Roads and trails                   | 3,815,913     | 3,813,415     | 0            | 3,813,415     |
| 49       | N/A - Other Plant In Service Adjustments |               |               | (574,383)    | (574,383)     |
|          | Subtotal Transmission                    | 730,731,954   | 732,821,789   | (5,938,360)  | 726,883,429   |
|          | Distribution                             |               |               |              |               |
| 50       | 360 - Land and land rights               | 12,160,731    | 12,160,731    | 0            | 12,160,731    |
| 51       | 361 - Structures and improvements        | 35,538,955    | 35,867,949    | 0            | 35,867,949    |
| 52       | 362 - Station equipment                  | 421,988,641   | 424,188,978   | 0            | 424,188,978   |
| 53       | 363 - Storage battery equipment          | 2,162,780     | 2,162,780     | 0            | 2,162,780     |
| 54       | 364 - Poles, towers and fixtures         | 244,078,301   | 245,941,020   | 0            | 245,941,020   |
| 55       | 365 - Overhead conductors, devices       | 182,826,196   | 184,562,670   | 0            | 184,562,670   |
| 56       | 366 - Underground conduit                | 186,856,549   | 187,412,870   | 0            | 187,412,870   |
| 57       | 367 - Undergrnd conductors, devices      | 219,376,574   | 225,982,405   | 0            | 225,982,405   |
| 58       | 368 - Line transformers                  | 357,809,643   | 359,927,537   | 0            | 359,927,537   |
| 59       | 369 - Services                           | 71,045,167    | 71,386,490    | 0            | 71,386,490    |
| 60       | 370 - Meters                             | 118,144,237   | 122,640,107   | 0            | 122,640,107   |
| 61       | 371 - Installs customer premise          | 18,637,323    | 18,734,606    | 0            | 18,734,606    |
| 62       | 373 - Street lighting, signal system     | 12,080,256    | 12,091,688    | 0            | 12,091,688    |
| 63       | N/A - Other Plant In Service Adjustments |               |               | (2,395,803)  | (2,395,803)   |
|          | Subtotal Distribution                    | 1,882,705,353 | 1,903,059,832 | (2,395,803)  | 1,900,664,029 |

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-03: MONTHLY DETAIL OF UTILITY PLANT IN SERVICE  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-3  
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|          | (a)   | (e)              | (f)              | (l)                | (j)              |
|----------|---|------------------|------------------|--------------------|------------------|
| Line No. | Description and Account Number              | Aug - 2024       | Sep - 2024       | Adjustments        | As Adjusted      |
|          | 101.000: Electric Plant In Service          |                  |                  |                    |                  |
|          | General                                     |                  |                  |                    |                  |
| 64       | 389 - Land and land rights                  | 1,683,560        | 1,683,560        | 0                  | 1,683,560        |
| 65       | 390 - Structures and improvements           | 144,180,486      | 144,350,945      | 0                  | 144,350,945      |
| 66       | 391 - Office furniture, equipment           | 45,338,010       | 45,678,749       | 0                  | 45,678,749       |
| 67       | 392 - Transportation equipment              | 57,440,200       | 57,440,200       | 0                  | 57,440,200       |
| 68       | 393 - Stores equipment                      | 231,409          | 231,409          | 0                  | 231,409          |
| 69       | 394 - Tools, shop, garage equipment         | 9,283,655        | 9,385,878        | 0                  | 9,385,878        |
| 70       | 395 - Laboratory equipment                  | 6,439,362        | 6,432,379        | 0                  | 6,432,379        |
| 71       | 396 - Power operated equipment              | 6,242,244        | 6,245,761        | 0                  | 6,245,761        |
| 72       | 397 - Communication equipment               | 40,678,679       | 40,973,777       | 0                  | 40,973,777       |
| 73       | 398 - Miscellaneous equipment               | 7,822,746        | 8,207,453        | 0                  | 8,207,453        |
| 74       | 399.1 Asset Retirement Costs-Gen            | 87,400           | 87,400           | 0                  | 87,400           |
| 75       | N/A - Other Plant In Service Adjustments    |                  |                  | (267,084)          | (267,084)        |
| 76       | Subtotal General                            | 319,427,751      | 320,717,511      | (267,084)          | 320,450,427      |
| 77       | Subtotal 101.000: Electric Plant In Service | 6,893,475,951    | 6,913,602,080    | (807,182,029)      | 6,106,420,051    |
| 78       | 101 - Electric Plant In Service             | 6,893,475,951    | 6,913,602,080    | (807,182,029) (A)  | 6,106,420,051    |
| 79       | 105 - Plant Held For Future Use             | 8,264,345        | 8,264,345        | (4,581,423) (B)    | 3,682,922        |
| 80       | 107 - Construction Work In Progress         | 372,713,702      | 459,081,092      | (459,081,092) (C)  | 0                |
| 81       | Total                                       | \$ 7,274,453,997 | \$ 7,380,947,518 | \$ (1,270,844,544) | \$ 6,110,102,973 |

(A) Refer to Schedule B-1 WP B-1, Adjustment No. 1. Some Nuclear, Transmission, Distribution and General adjustments are not available by individual 300 account.

(B) The Company is not requesting any CWIP in rate base in this filing. Refer to Schedule B-1, WP/B-1, Adjustment No. 7.

(C) For Plant held for future use adjustment, refer to Schedule B-1, WP B-1, Adjustment No. 9. Refer to Schedule B-1, WP B-1, Adjustment No. 9. Amounts may not add or tie to other schedules due to rounding.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-4.1: CWIP BY FUNCTIONAL GROUP  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ/RICHARD GONZALEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-4.1  
PAGE 1 OF 4

| (a)               | (b)   | (c)           | (d)                                | (e)                 | (f)   | (g)                                  | (h)   | (i)                           |
|-------------------|---|---------------|------------------------------------|---------------------|---|--------------------------------------|---|-------------------------------|
| LINE NO.          | DESCRIPTION   | PROJECT # (1) | TOTAL ESTIMATED INSTALLED COST (2) | ESTIMATED AFUDC (2) | CUMULATIVE NON-AFUDC EXPENDITURES AS OF TEST YEAR END | CUMULATIVE AFUDC AS OF TEST YEAR END | CUMULATIVE EXPENDITURES AS OF TEST YEAR END | ESTIMATED COMPLETION DATE (5) |
| <b>PRODUCTION</b> |   |               |                                    |                     |   |                                      |   |                               |
| 1                 | PALO VERDE UNIT 1 CAPITAL IMPROVEMENTS                  | GP009         |                                    |                     | \$ 7,304,320  | \$ 1,016,081                         | \$ 8,320,401                                | BLANKET                       |
| 2                 | PALO VERDE UNIT 2 CAPITAL IMPROVEMENTS                  | GP009         |                                    |                     | 7,187,140   | 406,799                              | 7,593,939                                   | BLANKET                       |
| 3                 | PALO VERDE UNIT 3 CAPITAL IMPROVEMENTS                  | GP009         |                                    |                     | 11,571,599  | 749,212                              | 12,320,811                                  | BLANKET                       |
| 4                 | PALO VERDE COMMON FACILITIES CAP IMPRV                  | GP009         |                                    |                     | 14,361,482  | 4,607,558                            | 18,969,041                                  | BLANKET                       |
| 5                 | PALO VERDE WATER RECLAMATION FACILITY                   | GP009         |                                    |                     | 1,297,572   | 85,733                               | 1,383,304                                   | BLANKET                       |
| 6                 | TOTAL PALO VERDE  | GP009         | 53,557,167                         | (4) 875,678         | (4) 41,722,113  | 6,865,383                            | 48,587,496                                  |                               |
| 8                 | NEWMAN ZERO LIQD DISCHARGE CLARIFIER INS                | GN241         | 40,055,818                         | 5,518,826           | 31,888,833  | 1,891,400                            | 33,780,233                                  | 2025                          |
| 9                 | NEWMAN DEMINERALIZED WATER TREATMENT SYSTEM REPLACEMENT | GN300         | 4,479,309                          | 506,217             | 3,908,246   | 219,074                              | 4,127,320                                   | 2024                          |
| 10                | NEWMAN CAPITAL BLANKET                                  | GN003         | 2,183,796                          | 315,319             | 3,190,757   | 79,058                               | 3,269,816                                   | BLANKET                       |
| 11                | NEWMAN U5 GT3 SPARE PARTS                               | GN314         | 2,876,729                          | 155,883             | 2,362,458   | 57,215                               | 2,419,673                                   | 2024                          |
| 12                | NEWMAN ZEOLITE POND LINER REPLACEMENT                   | GN298         | 2,401,082                          | 421,972             | 1,111,642   | 71,966                               | 1,183,608                                   | 2025                          |
| 13                | U4 STEAM TURBINE NEW VACUUM PUMP SYSTEM                 | GN147         | 1,003,748                          | 90,938              | 1,003,748   | 90,938                               | 1,094,686                                   | 2024                          |
| 14                | NEWMAN U5 HRSG BYPASS VALVE REPLACEMENT                 | GN198         | 1,035,503                          | 54,614              | 1,035,503   | 20,297                               | 1,055,799                                   | 2024                          |
| 15                | NEWMAN U5 HRSG 4 BYPASS VALVE REPLACEMENT               | GN199         | 1,001,941                          | 19,515              | 1,001,941   | 19,515                               | 1,021,455                                   | 2024                          |
| 16                | NEWMAN U4 GT1 MAJOR INSPECTION - CAPITAL IMPROVEMENTS   | GN322         | 710,708                            | 3,223               | 710,708   | 3,223                                | 713,930                                     | 2024                          |
| 17                | NEWMAN U3 FIRE  | GN320         | 640,157                            | 25,361              | 640,157   | 23,513                               | 663,670                                     | 2024                          |
| 18                | NEWMAN U3 SWITCHGEAR & MOTOR CONTROL CENTER UPGRADE     | GN256         | 3,147,443                          | 218,809             | 577,695   | 12,668                               | 590,363                                     | 2026                          |
| 19                | NEWMAN U4 GT2 MAJOR INSPECTION - CAPITAL IMPROVEMENTS   | GN323         | 485,878                            | 1,925               | 485,878   | 1,925                                | 487,804                                     | 2024                          |
| 20                | NEWMAN U2 DISTRIBUTION CONTROL SYSTEM UPGRADE           | GN301         | 429,442                            | 14,465              | 429,442   | 14,465                               | 443,906                                     | VARIOUS                       |
| 21                | NEWMAN U5 GT3/GT4 TURBINE BLADES REPLACE                | GN265         | 247,658                            | 8,608               | 247,658   | 8,608                                | 256,267                                     | 2025                          |
| 22                | NEWMAN U4 F BUS SWITCHGEAR UPGRADE                      | GN183         | 1,604,653                          | 109,074             | 107,652   | 4,266                                | 111,918                                     | 2025                          |
| 23                | NEWMAN U4/GT1-SWITCHGEAR MOTOR CONTROL CENTER UPGRADE   | GN262         | 2,261,987                          | 107,347             | 109,431   | 2,784                                | 112,215                                     | 2026                          |
| 24                | NEW ACID TANKS FR COOLING TOWERS                        | GN149         | 104,007                            | 792                 | 104,007   | 792                                  | 104,799                                     | 2024                          |
| 25                | TOTAL NEWMAN  |               | 64,669,858                         | 7,572,888           | 48,915,754  | 2,521,707                            | 51,437,462                                  |                               |
| 27                | MONTANA CAPITAL BLANKET                                 | GM002         | 258,226                            | 15,910              | 475,113   | 6,561                                | 481,674                                     | BLANKET                       |
| 28                | MONTANA POWER GENERAL & INTANGIBLES BLANKET PROJECT     | GM030         | -                                  | 2,341               | 130,336   | 1,181                                | 131,517                                     | BLANKET                       |
| 29                | TOTAL MONTANA BLANKET                                   |               | 258,226                            | 18,251              | 605,449   | 7,741                                | 613,191                                     |                               |
| 31                | MONTANA POWER U3 PARTIAL HOT SECTION REPLACEMENT        | GM150         | 14,189,442                         | 99,428              | 7,117,987   | 99,428                               | 7,217,415                                   | 2024                          |
| 32                | TOTAL MONTANA   |               | 14,447,667                         | 117,680             | 7,723,436   | 107,169                              | 7,830,606                                   |                               |
| 34                | RIO GRANDE CAPITAL BLANKET                              | GR014         | 1,278,949                          | 106,798             | 1,217,945   | 63,651                               | 1,281,597                                   | BLANKET                       |
| 35                | RIO GRANDE PLANT GAS METERING UPGRADE                   | GR182         | 151,194                            | 12,906              | 151,194   | 12,906                               | 164,100                                     | 2024                          |
| 36                | RG8 BOILER 2ND SUPERHEAT OUTLET HEADER REPLACEMENT      | GR201         | 2,984,236                          | 49,782              | 149,445   | 451                                  | 149,896                                     | 2024                          |
| 37                | TOTAL RIO GRANDE CAPITAL IMPROVEMENTS                   |               | 4,412,379                          | 169,486             | 1,518,584   | 77,008                               | 1,595,593                                   |                               |
| 39                | COPPER GT CAPITAL REPLACEMENT PARTS (W501B4)            | GC108         | 2,058,110                          | 13,752              | 518,293   | -                                    | 518,293                                     | 2024                          |
| 40                | COPPER GRADING DRAINAGE IMPROVEMENTS                    | GC118         | 826,453                            | 10,909              | 384,166   | 10,909                               | 395,063                                     | 2024                          |
| 41                | COPPER CAPITAL BLANKET                                  | GC003         | 681,049                            | 3,744               | 223,022   | 1,484                                | 224,507                                     | BLANKET                       |
| 42                | TOTAL COPPER STATION CAPITAL IMPROVEMENTS               |               | 3,565,612                          | 28,405              | 1,125,469   | 12,393                               | 1,137,863                                   |                               |
| 44                | 2025 UTILITY SCALE SOLAR 100MW                          | GS132         | 157,798,163                        | 15,437,133          | 95,894,674  | 2,919,408                            | 98,814,082                                  | 2025                          |
| 45                | TEXAS BUSINESS SOLAR 50MW                               | GS125         | 84,442,999                         | 7,381,867           | 49,225,737  | 1,492,795                            | 50,718,531                                  | 2025                          |
| 46                | NEWMAN RENEWABLES - 100MW BATTERY ENERGY STORAGE SYSTEM | GS140         | 162,892,344                        | 25,974,730          | 10,876,725  | 30,482                               | 10,907,207                                  | 2027                          |
| 47                | TEXAS COMMUNITY SOLAR EXPANSION                         | GS124         | 18,196,322                         | 584,243             | 7,921,396   | 223,979                              | 8,145,376                                   | 2024                          |
| 48                | HIGH VOLTAGE EQUIPMENT AT 115KV                         | GS135         | 7,730,070                          | 457,696             | 1,917,189   | 5,396                                | 1,922,585                                   | 2025                          |
| 49                | TOTAL RENEWABLE SOLAR                                   |               | 431,059,899                        | 49,835,669          | 165,835,720   | 4,672,061                            | 170,507,781                                 |                               |
| 50                | TOTAL PRODUCTION  |               | 571,712,581                        | 58,599,806          | 266,841,078   | 14,255,721                           | 281,096,801                                 |                               |

SCHEDULE C-4.1  
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EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-4.1: CWIP BY FUNCTIONAL GROUP  
SPONSOR: CYNTHIA S. PRIETO  
PREPARED BY: MAGDALENA RODRIGUEZ/RICHARD GONZALEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-4.1  
PAGE 2 OF 4

| (a)      | (b)  | (c)           | (d)                                | (e)                 | (f)   | (g)                                  | (h)   | (i)                           |
|----------|--|---------------|------------------------------------|---------------------|---|--------------------------------------|---|-------------------------------|
| LINE NO. | DESCRIPTION  | PROJECT # (1) | TOTAL ESTIMATED INSTALLED COST (2) | ESTIMATED AFUDC (2) | CUMULATIVE NON-AFUDC EXPENDITURES AS OF TEST YEAR END | CUMULATIVE AFUDC AS OF TEST YEAR END | CUMULATIVE EXPENDITURES AS OF TEST YEAR END | ESTIMATED COMPLETION DATE (5) |
| 51       |  |               |                                    |                     |   |                                      |   |                               |
| 52       | <b>TRANSMISSION</b>  |               |                                    |                     |   |                                      |   |                               |
| 53       | AFTON NORTH SUBSTATION                                       | TH171         | 14,608,538                         | 4,087,385           | 7,224,167   | 879,871                              | 8,104,038                                   | 2027                          |
| 54       | RIO GRANDE - SUNSET 5500                                     | TL101         | 31,821,034                         | 4,809,011           | 4,797,517   | 1,363,218                            | 6,160,735                                   | 2025                          |
| 55       | NEW E2-FELIPE 115 KV TRANSMISSION LINE                       | TL245         | 25,381,475                         | 861,451             | 5,187,879   | -                                    | 5,187,879                                   | 2025                          |
| 56       | AFTON NORTH TO AIRPORT 115KV LINE                            | TL178         | 44,089,020                         | 4,747,825           | 2,674,522   | 726,581                              | 3,401,103                                   | 2028                          |
| 57       | NEW E2-HORIZON 115KV TRANSMISSION LINE                       | TL243         | 9,866,083                          | 376,997             | 2,811,966   | 34,802                               | 2,846,768                                   | 2025                          |
| 58       | PALO VERDE BREAKER REPLACEMENT                               | TP100         | 1,217,940                          | 9,273               | 1,436,895   | 40,704                               | 1,477,599                                   | BLANKET                       |
| 59       | FELINA INTERCONNECTION                                       | TS179         | 12,730,957                         | 774,569             | 1,400,066   | 23,306                               | 1,423,362                                   | 2025                          |
| 60       | RELAY UPGRADES TRANSMISSION SUBSTATIONS BLANKET              | TS065         | 1,513,985                          | 14,516              | 1,133,482   | 46,194                               | 1,179,675                                   | BLANKET                       |
| 61       | SPARKS - FELIPE LINE UPGRADE                                 | TL116         | 17,229,490                         | 845,894             | 632,457   | 65,248                               | 697,705                                     | 2025                          |
| 62       | SEAFOX INTERCONNECT PROJECT                                  | TS180         | 748,690                            | -                   | 748,690   | -                                    | 748,690                                     | 2027                          |
| 63       | NEW APOLLO TO LE1(MOO) 115KV TRANSMISSION                    | TL241         | 6,289,923                          | 465,636             | 651,866   | 22,952                               | 674,818                                     | 2027                          |
| 64       | NEW E1-E2 115KV TRANSMISSION LINE                            | TL244         | 12,209,810                         | 1,543,384           | 593,518   | -                                    | 593,518                                     | 2026                          |
| 65       | TXDOT TRANSMISSION LINE STRUCTURE REPLACEMENT HWY 82 PHASE 2 | TL298         | 1,841,247                          | 292,027             | 340,520   | 37,289                               | 377,809                                     | 2025                          |
| 66       | LANE TO WRANGLER RECONDUCTOR                                 | TL316         | 1,275,734                          | 105,439             | 376,968   | 11,789                               | 388,757                                     | 2025                          |
| 67       | CALIENTE T-1 BUSHING REPLACEMENTS                            | TS149         | 269,448                            | 107,996             | 269,448   | 27,127                               | 296,575                                     | 2026                          |
| 68       | IMPLEMENT SUBSTATIONS CONNECTIVITY NETWORK                   | ST109         | 902,127                            | 101,396             | 269,728   | 4,370                                | 274,098                                     | 2027                          |
| 69       | TXDOT DELTA BRIDGE TRANSMISSION LINE CROSSINGS               | TL328         | 162,715                            | 33,801              | 213,395   | 2,635                                | 216,030                                     | 2025                          |
| 70       | TXDOT SH178 TRANSMISSION LINE ADJUSTMENTS                    | TL307         | 63,729                             | 78,923              | 194,945   | -                                    | 194,945                                     | 2025                          |
| 71       | ALAMO TRANSMISSION LINE ADJUSTMENTS                          | TL296         | 334,059                            | 54,355              | 110,822   | 13,104                               | 123,925                                     | 2027                          |
| 72       | TRANSMISSION RIGHT-OF-WAY RENEWALS/ACQUISITIONS BLANKET      | TT080         | 2,114,306                          | -                   | 102,887   | -                                    | 102,887                                     | BLANKET                       |
| 73       | TOTAL TRANSMISSION   |               | 184,670,309                        | 19,309,889          | 31,171,725  | 3,299,190                            | 34,470,916                                  |                               |
| 74       |  |               |                                    |                     |   |                                      |   |                               |
| 75       | <b>DISTRIBUTION</b>  |               |                                    |                     |   |                                      |   |                               |
| 76       | SAN FELIPE NEW SUBSTATION CONSTRUCTION                       | DT395         | 23,759,370                         | 3,773,165           | 12,140,569  | 520,166                              | 12,660,734                                  | 2025                          |
| 77       | TEXAS COMMERCIAL CONSTRUCTION                                | DT069         | 24,790,397                         | 396,876             | 7,468,111   | 247,050                              | 7,715,161                                   | BLANKET                       |
| 78       | TEXAS RESIDENTIAL CONSTRUCTION                               | DT061         | 14,283,815                         | 254,578             | 6,630,770   | 139,842                              | 6,770,612                                   | BLANKET                       |
| 79       | TRANSMOUNTAIN (NW-3) GTWYS/FEEDER                            | DT238         | 1,221,862                          | 115,093             | 6,396,249   | 163,587                              | 6,559,836                                   | VARIOUS                       |
| 80       | FAR EAST SUBSTATION (FE-5)                                   | DT477         | 6,221,876                          | 101,307             | 6,221,876   | 101,307                              | 6,323,183                                   | 2026                          |
| 81       | RIO GRANDE SUBS UPGRADES                                     | DN179         | 5,805,090                          | 1,962,967           | 2,911,647   | 487,117                              | 3,398,764                                   | 2025                          |
| 82       | TEXAS DISTRIBUTION DAMAGE                                    | DT065         | 6,506,873                          | 300,834             | 3,777,295   | 39,632                               | 3,816,927                                   | BLANKET                       |
| 83       | CLINT/FE-4 FEEDER ADDITIONS                                  | DT463         | 5,428,620                          | 262,572             | 3,717,855   | 68,019                               | 3,785,873                                   | 2024                          |
| 84       | ALAMO VOLTAGE REGULATOR REPLACEMENT                          | DT428         | 11,995,434                         | 1,876,202           | 3,013,913   | 415,663                              | 3,429,575                                   | 2027                          |
| 85       | NETWORK SYSTEM UPGRADE BY EATON                              | DT354         | 3,122,945                          | 240,514             | 2,654,943   | 194,498                              | 2,849,441                                   | VARIOUS                       |
| 86       | IDENTIFIED SUBSTATION TRANSFORMER REPLACEMENT-TEXAS          | DT187         | -                                  | -                   | 2,803,299   | 73,853                               | 2,877,151                                   | VARIOUS                       |
| 87       | TEXAS DISTRIBUTION BETTERMENT                                | DT062         | 10,604,720                         | 119,356             | 2,426,605   | 100,041                              | 2,526,645                                   | BLANKET                       |
| 88       | FREEPORT MCMORAN DEDICATED DISTRIBUTION                      | DT403         | 4,921,752                          | 426,750             | 1,931,686   | 123,949                              | 2,055,635                                   | 2025                          |
| 89       | MONTOYA SUBSTATION UPGRADES                                  | DT467         | 7,579,206                          | 811,947             | 1,752,013   | 127,420                              | 1,879,433                                   | 2026                          |
| 90       | EASTLAKE SUBSTATION  | DT499         | 16,946,573                         | 3,144,313           | 1,821,372   | 31,109                               | 1,852,481                                   | 2026                          |
| 91       | DYER SUBSTATION EXPANSION                                    | DT398         | 21,808,439                         | 1,934,244           | 1,621,220   | 105,498                              | 1,726,718                                   | 2025                          |
| 92       | NEW MEXICO RESIDENTIAL CONSTRUCTION                          | DN061         | 8,956,453                          | 91,222              | 1,601,756   | 34,888                               | 1,636,644                                   | BLANKET                       |
| 93       | VISCOUNT SUBSTATION UPGRADES                                 | DT470         | 23,085,009                         | 2,183,287           | 1,512,093   | 64,207                               | 1,576,300                                   | 2027                          |
| 94       | SUNSET SUBSTATION BUS UPGRADE (RIO GRANDE-SUNSET)            | DT433         | 3,584,991                          | 569,137             | 1,306,081   | 98,216                               | 1,403,297                                   | 2025                          |
| 95       | McCOMBS SUBSTATION   | DT420         | 18,985,797                         | 2,528,233           | 1,048,273   | 180,882                              | 1,229,155                                   | 2025                          |
| 96       | LAS CRUCES AIRPORT SUB 115KV RINGBUS ADDITION                | DN195         | 18,344,252                         | 4,446,281           | 704,122   | 263,672                              | 967,794                                     | 2025                          |

SCHEDULE C-4.1  
PAGE 2 OF 4

| (a)      | (b)   | (c)           | (d)                                | (e)                 | (f)   | (g)                                  | (h)   | (i)                           |
|----------|---|---------------|------------------------------------|---------------------|---|--------------------------------------|---|-------------------------------|
| LINE NO. | DESCRIPTION   | PROJECT # (1) | TOTAL ESTIMATED INSTALLED COST (2) | ESTIMATED AFUDC (2) | CUMULATIVE NON-AFUDC EXPENDITURES AS OF TEST YEAR END | CUMULATIVE AFUDC AS OF TEST YEAR END | CUMULATIVE EXPENDITURES AS OF TEST YEAR END | ESTIMATED COMPLETION DATE (5) |
| 97       | TEXAS LIGHTING  | DT064         | 1,176,638                          | 19,560              | 1,017,857   | 101,547                              | 1,119,405                                   | BLANKET                       |
| 98       | DURAZNO T2 TRANSFORMER UPGRADE                                      | DT405         | 8,962,780                          | 1,047,620           | 932,435   | 95,138                               | 1,027,573                                   | 2027                          |
| 99       | HAWKINS NEW SUBSTATION  | DT328         | 12,912,015                         | 1,317,971           | 761,477   | 117,251                              | 878,727                                     | 2025                          |
| 100      | SOCORRO T2 TRANSFORMER ADDITION                                     | DT483         | 8,551,404                          | 950,408             | 922,727   | 16,512                               | 939,239                                     | 2025                          |
| 101      | GRID MOD NEW MEXICO SUBS UPGRADES                                   | DN226         | 1,049,103                          | 25,365              | 843,073   | 13,720                               | 856,793                                     | 2024                          |
| 102      | EASTWIND SUBSTATION (FE-3)  | DT507         | 18,141,760                         | 2,486,434           | 738,840   | 14,056                               | 752,896                                     | 2025                          |
| 103      | WS2 NEW SUBSTATION  | DT485         | 19,613,124                         | 3,918,973           | 672,661   | 22,309                               | 694,971                                     | 2025                          |
| 104      | ALAMO-UPGRADE FOR FE BACKFEED                                       | DT335         | 591,050                            | 34,781              | 591,050   | 34,781                               | 625,831                                     | 2027                          |
| 105      | TEXAS AREA 4KV CONVERSIONS  | DT189         | 105,992,245                        | 11,584,004          | 636,023   | -                                    | 636,023                                     | 2026                          |
| 106      | MCNUTT SUBSTATION (NEW)   | DN200         | 18,450,202                         | 2,481,702           | 422,961   | 98,558                               | 521,519                                     | 2028                          |
| 107      | POLE REPLACEMENTS & IMPROVE NEW MEXICO BLANKET                      | DN193         | 108,287                            | 281                 | 522,026   | -                                    | 522,026                                     | VARIOUS                       |
| 108      | EASTSIDE OPERATIONS CENTER - ELECTRIC VEHICLE INFRASTRUCTURE        | DT501         | 3,816,720                          | 180,421             | 474,579   | 18,292                               | 492,871                                     | 2025                          |
| 109      | RELAY UPGRADES NEW MEXICO DISTRIBUTION SUBSTATIONS BLANKET          | DN015         | 1,192,069                          | 12,799              | 423,866   | 7,649                                | 431,515                                     | BLANKET                       |
| 110      | CABLE REPLACEMENT PROG  | DT121         | 811,958                            | 4,443               | 418,143   | 8,615                                | 426,758                                     | VARIOUS                       |
| 111      | LANE AND WRANGLER SUB UPGRADES                                      | DT490         | 1,869,782                          | 154,754             | 405,513   | 6,561                                | 412,074                                     | 2024                          |
| 112      | TEXAS TRANSFORMER OVERLOAD (REFRIGERATED HVAC UNITS)                | DT427         | 1,143,070                          | 55,135              | 407,687   | 3,801                                | 411,489                                     | VARIOUS                       |
| 113      | LE-1 (ORGAN) GETAWAY & FEEDERS                                      | DN164         | 1,745,051                          | 84,101              | 287,154   | 38,564                               | 325,718                                     | VARIOUS                       |
| 114      | FAR EAST SUBSTATION (FE2)   | DT456         | 18,552,397                         | 856,962             | 338,646   | -                                    | 339,646                                     | 2026                          |
| 115      | NEW MEXICO DISTRIBUTION BETTERMENT                                  | DN062         | 3,548,802                          | 14,267              | 303,132   | 12,762                               | 315,894                                     | BLANKET                       |
| 116      | RELAY UPGRADES TEXAS DISTRIBUTION SUBSTATIONS BLANKET               | DT015         | 1,706,049                          | 6,796               | 297,692   | 3,533                                | 301,226                                     | BLANKET                       |
| 117      | TEXAS 24KV FEEDER EXTENSION CONDUCTOR UPGRADES                      | DT466         | 1,225,614                          | 41,323              | 285,605   | 4,373                                | 289,978                                     | VARIOUS                       |
| 118      | HORIZON BAY SUB UPGRADE FOR E2                                      | DT393         | 1,795,827                          | 99,191              | 279,555   | 4,365                                | 283,919                                     | 2025                          |
| 119      | IDENTIFIED SUBSTATION BREAKER REPLACEMENT-TEXAS                     | DT188         | 444,883                            | 15,075              | 249,167   | -                                    | 249,167                                     | VARIOUS                       |
| 120      | FARMER SUBSTATION UPGRADES  | DT503         | 8,486,390                          | 684,493             | 236,288   | 5,115                                | 241,403                                     | 2025                          |
| 121      | NEW MEXICO DISTRIBUTION DAMAGE                                      | DN065         | 1,322,053                          | 13,440              | 242,448   | 975                                  | 243,424                                     | BLANKET                       |
| 122      | SAN ELIZARIO INTERCONNECTION DISTRIBUTION FEEDER                    | DT486         | 1,669,792                          | 192,611             | 227,202   | -                                    | 227,202                                     | 2025                          |
| 123      | POLE REPLACEMENT & IMPROVEMENT TEXAS BLANKET                        | DT372         | 2,114,983                          | 11,063              | 202,022   | 5,653                                | 207,675                                     | BLANKET                       |
| 124      | TALAVERA SUB. GETAWAYS AND FEEDERS                                  | DN178         | 485,942                            | 28,104              | 138,419   | 27,793                               | 166,213                                     | VARIOUS                       |
| 125      | LA MESA SUBSTATION UPGRADES   | DN218         | -                                  | -                   | 192,531   | -                                    | 192,531                                     | VARIOUS                       |
| 126      | NEW MEXICO LIGHTING   | DN064         | 717,452                            | 4,251               | 140,695   | 17,422                               | 158,117                                     | BLANKET                       |
| 127      | GAUNTLET REPLACEMENTS TEXAS DISTRIBUTION SUBSTATIONS                | DT491         | 3,012,905                          | 815,574             | 166,384   | 3,680                                | 170,064                                     | 2024                          |
| 128      | CE-4 NEW DISTRIBUTION SUBSTATION                                    | DT410         | 160,419                            | 78,705              | 160,419   | -                                    | 160,419                                     | 2027                          |
| 129      | TEXAS 14KV FEEDER EXTENSION CONDUCTOR UPGRADES                      | DT462         | 3,851,169                          | 108,965             | 142,308   | 3,543                                | 145,851                                     | VARIOUS                       |
| 130      | NEW MEXICO 4KV CONVERSION   | DN177         | 292,608                            | 13,833              | 140,291   | 773                                  | 141,064                                     | VARIOUS                       |
| 131      | FAR EAST NEW SUBSTATION (FE-4)                                      | DT476         | 16,600,687                         | 1,420,022           | 127,149   | 1,454                                | 128,603                                     | 2026                          |
| 132      | HATCH LINE REBUILD  | DN100         | 745,360                            | 37,817              | 101,948   | 9,982                                | 111,930                                     | VARIOUS                       |
| 133      | VERDE SUBSTATION  | DN136         | -                                  | -                   | 86,271  | 15,872                               | 102,143                                     | BLANKET                       |
| 134      | DISTRIBUTION NEW MEXICO RIGHT-OF-WAYS RENEWALS/ACQUISITION BLANKET  | DN080         | 45,596                             | -                   | 109,428   | -                                    | 109,428                                     | BLANKET                       |
| 135      | TEXAS SCADA FIELD EQUIPMENT ADD/REPLACEMENT                         | DT465         | 2,787,731                          | 65,554              | 99,540  | 1,152                                | 100,692                                     | VARIOUS                       |
| 136      | TOTAL DISTRIBUTION  |               | 513,647,391                        | 54,405,647          | 88,206,961  | 4,296,416                            | 92,503,376                                  |                               |
| 137      |   |               |                                    |                     |   |                                      |   |                               |
| 138      | <b>GENERAL &amp; INTANGIBLE</b>                                     |               |                                    |                     |   |                                      |   |                               |
| 139      | IMPLEMENT INTEGRATED PLANNING & FORECAST                            | SS286         | 10,376,552                         | 10,072              | 10,376,552  | 10,072                               | 10,386,623                                  | 2024                          |
| 140      | ENTERPRISE RESOURCE PLANNING REPLACEMENT & POWERPLAN UPGRADE        | SS287         | 36,782,068                         | 2,007,794           | 10,238,937  | 5,032                                | 10,243,969                                  | 2025                          |
| 141      | TRANSPORTATION EQUIPMENT ACQUISITION BLANKET                        | SS005         | 5,194,722                          | -                   | 8,704,237   | 119,994                              | 8,824,232                                   | BLANKET                       |
| 142      | IMPLEMENT ENTERPRISE ASSET MANAGEMENT FOR TSR                       | SS324         | 11,613,298                         | 685,642             | 4,530,569   | 102,749                              | 4,633,318                                   | VARIOUS                       |
| 143      | ADVANCED PATTERN RECOGNITION  | SS239         | 3,014,023                          | 209,411             | 2,503,883   | 81,300                               | 2,585,182                                   | 2025                          |
| 144      | LABOR - CWIP CLEARING PROJECT                                       | AP701         | -                                  | -                   | 2,199,483   | -                                    | 2,199,483                                   | CLEARING                      |
| 145      | IMPLEMENT DATA REPOSITORY ADVANCED METER MANAGEMENT                 | SS280         | 1,713,014                          | 118,954             | 1,284,941   | 74,362                               | 1,359,303                                   | 2024                          |
| 146      | DEPR & AMORT EXP BLANKET  | AD700         | -                                  | -                   | 1,289,865   | -                                    | 1,289,865                                   | BLANKET                       |
| 147      | DEPLOY MULTIPROTOCOL LABEL SWITCHING                                | ST108         | -                                  | -                   | 1,095,459   | 154,444                              | 1,249,903                                   | VARIOUS                       |
| 148      | IMPLEMENT CONFIGURATION CHANGE MANAGEMENT SOFTWARE                  | ST116         | 878,363                            | 77,768              | 865,012   | 69,605                               | 934,617                                     | 2024                          |
| 149      | GRID AUTOMATION AND VISIBILITY                                      | DT426         | 41,049,800                         | 1,321,668           | 638,495   | 43,081                               | 681,576                                     | 2025                          |
| 150      | ASSET MANAGEMENT TECHNOLOGY (WORK MANAGEMENT & GIS) UPGRADE BLANKET | DT144         | 829,362                            | 3,588               | 583,399   | 11,291                               | 594,690                                     | BLANKET                       |
| 151      | IT OPS DATA CENTER BLANKET  | SS347         | 1,247,053                          | 20,273              | 546,256   | 12,564                               | 558,820                                     | BLANKET                       |
| 152      | IMPLEMENT DYNAMIC LINE RATINGS SW                                   | ST115         | 1,513,561                          | 109,841             | 491,532   | 17,518                               | 509,050                                     | 2025                          |

| (a)      | (b)  | (c)           | (d)                                | (e)                   | (f)   | (g)                                  | (h)   | (i)                           |
|----------|--|---------------|------------------------------------|-----------------------|---|--------------------------------------|---|-------------------------------|
| LINE NO. | DESCRIPTION  | PROJECT # (1) | TOTAL ESTIMATED INSTALLED COST (2) | ESTIMATED AFUDC (2)   | CUMULATIVE NON-AFUDC EXPENDITURES AS OF TEST YEAR END | CUMULATIVE AFUDC AS OF TEST YEAR END | CUMULATIVE EXPENDITURES AS OF TEST YEAR END | ESTIMATED COMPLETION DATE (5) |
| 153      | GEOGRAPHIC INFORMATION SYSTEM UPGRADE 2023                         | SS323         | 1,457,349                          | 36,154                | 439,862   | 10,221                               | 450,083                                     | 2024                          |
| 154      | STANTON TOWER STORM SEWER IMPROVEMENTS                             | SF144         | 2,181,378                          | -                     | 424,228   | 3,885                                | 428,114                                     | VARIOUS                       |
| 155      | CUSTOMER SERVICE SYSTEM UPGRADE BLANKET                            | SS112         | 1,279,286                          | 4,027                 | 387,511   | 6,870                                | 394,381                                     | BLANKET                       |
| 156      | STANTON TOWER CHILLER REPLACEMENT                                  | SF140         | 333,113                            | 21,674                | 333,113   | 21,674                               | 354,787                                     | 2029                          |
| 157      | STANTON TOWER BOILER REPLACEMENT                                   | SF139         | 337,156                            | 19,251                | 337,156   | 19,251                               | 356,407                                     | 2027                          |
| 158      | IMPLEMENT REDEYE FOR GENERATION                                    | SS319         | 164,851                            | 32,229                | 339,188   | 12,241                               | 351,429                                     | VARIOUS                       |
| 159      | TRANSMISSION-345KV-EASTERN INTERCONNECTION PROJECT BLANKET PROJECT | TH750         | -                                  | -                     | 296,594   | -                                    | 296,594                                     | BLANKET                       |
| 160      | INVENTORY BARCODING SYSTEM - WAREHOUSE                             | SS255         | 292,533                            | 10,168                | 254,733   | 9,439                                | 264,173                                     | 2024                          |
| 161      | REPLACE LAND MOBILE RADIO  | ST110         | 7,167,930                          | 403,442               | 203,945   | 2,743                                | 206,687                                     | 2025                          |
| 162      | EOC - ROLAND LUCKY TROUBLE & EMERGENCY SERVICE RELOCATION          | SS356         | 4,575,205                          | 28,268                | 154,406   | 7,221                                | 161,627                                     | 2025                          |
| 163      | NEW MEXICO SERVICE CENTER  | SS313         | 155,864                            | 22,888                | 155,864   | -                                    | 155,864                                     | 2028                          |
| 164      | SECURITY OPERATIONS COMMAND CENTER RELOCATION                      | SS334         | 612,542                            | 14,278                | 107,749   | 4,503                                | 112,252                                     | 2024                          |
| 165      | TOTAL GENERAL & INTANGIBLE   |               | <u>132,769,023</u>                 | <u>5,157,390</u>      | <u>48,782,969</u>                                     | <u>800,060</u>                       | <u>49,583,029</u>                           |                               |
| 166      |  |               |                                    |                       |   |                                      |   |                               |
| 167      | SUBTOTAL PROJECTS OVER \$100,000                                   |               | <u>\$ 1,402,799,304</u>            | <u>\$ 137,472,732</u> | <u>\$ 435,002,731</u>                                 | <u>\$ 22,651,387</u>                 | <u>\$ 457,654,122</u>                       |                               |
| 168      |  |               |                                    |                       |   |                                      |   |                               |
| 169      | OTHER PROJECTS UNDER \$100,000                                     |               |                                    |                       | <u>1,264,951</u>                                      | <u>162,010</u>                       | <u>1,426,971</u>                            |                               |
| 170      | TOTAL CWIP AT SEPTEMBER 30, 2024                                   |               |                                    |                       | <u>\$ 436,267,682</u>                                 | <u>\$ 22,813,397</u>                 | <u>\$ 459,081,093</u>                       | (3)                           |

- (1) PROJECT NUMBERS MAY INCLUDE SEVERAL WORK ORDERS  
(2) TOTAL ESTIMATED COSTS AND AFUDC FOR PROJECTS NOTED AS "BLANKET" REFLECT ONE YEAR OF FORECAST EXPENDITURES  
(3) THE COMPANY IS NOT REQUESTING ANY CWIP IN RATE BASE IN THIS FILING  
(4) PROJECT IS NOT FORECASTED BY UNIT  
(5) FOR BLANKETS, COMPLETION DATES VARY AS INDIVIDUAL PROJECTS ARE COMPLETED.

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

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-4.2: CWIP ALLOWED IN RATE BASE  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-4.2  
PAGE 1 OF 1

El Paso Electric Company is not proposing to include any Construction Work in Progress ("CWIP") in rate base and has not requested rate base treatment of CWIP in its two most recent rate cases.



El Paso Electric Company ("Company") capitalizes Allowance for Funds Used during Construction, Engineering & Supervision and Administrative & General costs to construction work in progress. Each of these three overheads are discussed below.

Allowance for Funds Used during Construction (AFUDC)

AFUDC is the capitalization of the cost of borrowed and equity funds to be charged to projects that are capital in nature until the project is placed in-service. This overhead is excluded from any project that is comprised of an asset that was purchased (i.e. can be placed in-service immediately). In addition, certain projects that are suspended or inactive for over three months are automatically excluded from receiving AFUDC.

(a) The AFUDC rate is computed using the following formula as prescribed by the FERC:

Gross allowance for borrowed funds used during construction rate (ABFUDC)

$$AB = s*(S/W)+d*(D/D+P+C)*(1-S/W)$$

Rate for other funds (AEFUDC)

$$AE = [1-S/W]*[p*(P/D+P+C)+c*(C/D+P+C)]$$

S = Average short-term debt  
 s = Short-term debt interest rate  
 D = Long-term debt  
 d = Long-term debt interest rate  
 P = Preferred stock  
 p = Preferred stock cost rate  
 C = Common equity  
 c = Common equity cost rate  
 W = Average balance in construction work in progress

(b) The rates are calculated periodically using the components of capital and their cost levels at the end of the prior year for all components of capital utilized in the formula, except for the components of Short-Term Debt and CWIP, which are estimated for the current year and then updated for actuals periodically throughout the year.

(c) The rates are applied against the current month's AFUDC base (prior month's cumulative construction charges plus one-half of the current month's cash expenditures). All eligible construction is charged at the same rate.

SCHEDULE C-5: ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

The Company currently uses an AFUDC accrual rate of 6.73%. The following is a list of capitalization rates for the five years ending with the test year and the amounts generated and transferred to plant-in-service in each of those years.

| Period Ended            | Rate  | Amount<br>Generated | Amount<br>Transferred to<br>Plant In Service |
|-------------------------|-------|---------------------|--|
| 3 ME September 30, 2024 | 6.73% | \$ 4,168,387        | \$ 845,896                                   |
| 3 ME June 30, 2024      | 5.98% | 3,207,451           | 2,711,653                                    |
| 3 ME March 31, 2024     | 6.48% | 3,355,254           | 917,303                                      |
| 1 ME December 31, 2023  | 6.73% | 1,792,603           | 19,902,227                                   |
| 1 ME November 30, 2023  | 6.70% | 2,194,135           | 2,434,703                                    |
| 3 ME October 31, 2023   | 6.45% | 6,162,838           | 1,112,666                                    |
| 3 ME July 31, 2023      | 6.19% | 5,301,903           | 4,455,020                                    |
| 4 ME April 30, 2023     | 5.56% | 6,762,798           | 2,219,057                                    |
| 4 ME December 31, 2022  | 3.94% | 4,537,616           | 1,770,119                                    |
| 2 ME August 31, 2022    | 4.01% | 1,820,568           | 443,664                                      |
| 3 ME June 30, 2022      | 4.11% | 3,710,119           | 1,493,941                                    |
| 3 ME March 31, 2022     | 6.17% | 3,617,141           | 1,120,848                                    |
| 3 ME December 31, 2021  | 5.07% | 2,710,317           | 494,405                                      |
| 9 ME September 30, 2021 | 5.44% | 6,451,084           | 3,826,996                                    |
| 9 ME December 31, 2020  | 5.30% | 4,931,478           | 4,092,473                                    |
| 3 ME March 31, 2020     | 5.24% | 1,464,852           | 1,365,147                                    |
| 3 ME December 31, 2019  | 5.07% | 1,548,750           | 2,627,917                                    |
| 6 ME September 30, 2019 | 4.91% | 3,067,733           | 3,142,006                                    |
| 3 ME March 31, 2019     | 6.17% | 1,976,817           | 1,304,887                                    |

Engineering & Supervision (E&S)

Beginning in 2007, Engineering and Supervision costs are capitalized as construction overheads. Blanket work orders are utilized to accumulate the payroll costs of the engineering and supervision support staff (i.e. engineers, surveyors, draftsmen, inspectors, first line management, and their assistants). These costs are charged to a function specific (transmission or distribution) blanket work order and are then allocated to each work order that receives current month direct payroll charges.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-5: ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-5  
PAGE 3 OF 3

| Period Ended   | Amount<br>Generated | Amount<br>Transferred to<br>Plant In Service |
|----------------|---------------------|--|
| September 2024 | \$ 10,495,365       | \$ 10,113,809                                |
| December 2023  | 13,404,983          | 16,677,986                                   |
| December 2022  | 11,912,177          | 10,015,059                                   |
| December 2021  | 12,815,759          | 9,954,441                                    |
| December 2020  | 11,770,520          | 10,977,472                                   |
| December 2019  | 10,587,969          | 11,253,497                                   |

Administrative and General (A&G)

Administrative and general costs are capitalized as construction overheads. Based on a time study conducted by EPE, it was determined that a portion of administrative time is devoted to construction specific projects. A portion of certain A&G accounts is capitalized to CWIP on a pro-rata basis to all workorders receiving charges during the month.

| Period Ended   | Rate   | Amount<br>Generated | Amount<br>Transferred to<br>Plant In Service |
|----------------|--------|---------------------|--|
| September 2024 | 28.00% | \$ 18,071,241       | \$ 11,553,726                                |
| December 2023  | 21.00% | 11,110,291          | 8,355,989                                    |
| December 2022  | 5.32%  | 2,239,846           | 1,532,069                                    |
| December 2021  | 5.32%  | 2,265,047           | 1,662,282                                    |
| December 2020  | 5.32%  | 2,364,460           | 2,012,634                                    |
| December 2019  | 5.32%  | 2,260,172           | 2,428,856                                    |

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-06: NUCLEAR FUEL  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

| (a)      |   | (b)                   |
|----------|---|-----------------------|
| Line No. | Description   | Amount <sup>(1)</sup> |
| 1        | 120.1: Nuclear Fuel in Process                                | 0                     |
| 2        | 120.2: Nuclear Fuel - Stock                                   | 0                     |
| 3        | 120.3: Nuclear Fuel Assemblies in Reactor                     | 0                     |
| 4        | 120.4: Spent Nuclear Fuel                                     | 0                     |
| 5        | 120.5: Accumulated Provision for Amortization of Nuclear Fuel | (70,596,113)          |
| 6        | 120.6: Nuclear Fuel Under Cap Lease                           | 189,497,800           |

<sup>(1)</sup> Total Electric Per Books

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.1: NUCLEAR FUEL IN PROCESS  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.1  
PAGE 1 OF 1

El Paso Electric Company ("EPE" or the "Company") owns an undivided interest in nuclear fuel purchased in connection with Palo Verde Nuclear Generating Station ("Palo Verde"). Arizona Public Service Company, as operator of Palo Verde, manages the nuclear fuel, the nuclear fuel cycle and various nuclear fuel contracts. EPE finances its interest in nuclear fuel through the Rio Grande Resources Trust ("RGRT"), which borrows funds through the Company's revolving credit facility and has \$65 million and \$45 million borrowed through Senior Notes. The Company accounts for all of its nuclear fuel inventory in Account 120.6, consequently, there are no costs and no balance in Accounts 120.1, 120.2, 120.3 or 120.4. Please refer to schedule C-6.7: Distribution of Costs for Account 120.6 and C-6.10: Nuclear Fuel Trust/Lease.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.2: DISTRIBUTION OF COSTS AND  
QUANTITIES FOR ACCOUNT 120.1  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.2  
PAGE 1 OF 1

Please refer to Schedule C-6.1: Nuclear Fuel In Process.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-06.03: DISTRIBUTION OF  
COSTS AND QUANTITIES FOR ACCOUNT 120.2  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.3  
PAGE 1 OF 1

Please refer to Schedule C-6.1: Nuclear Fuel In Process.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.4: DISTRIBUTION OF COSTS FOR ACCOUNT 120.3  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.4  
PAGE 1 OF 1

Please refer to Schedule C-6.1: Nuclear Fuel In Process.



EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.5: DISTRIBUTION OF COSTS FOR ACCOUNT 120.4  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.5  
PAGE 1 OF 1

Please refer to Schedule C-6.1: Nuclear Fuel In Process.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.06: DISTRIBUTION OF COSTS FOR ACCOUNT 120.5 PG 1  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA N. CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

| (a)      |   | (b)                                  |
|----------|---|--------------------------------------|
| Line No. | Description                             | Test Year End Balance <sup>(1)</sup> |
| 1        | 120.501: Dry Cask Storage-CWIP          | \$ 2,363                             |
| 2        | 120.502: Dry Cask Storage-Asset         | 4,522                                |
| 3        | 120.503: Amort of Nuclear Fuel          | (69,250,819)                         |
|          | 120.505: Amort RCF Issuance Costs -     |                                      |
| 4        | NF                                      | (856,437)                            |
|          | 120.507: Accum Issuance Cost \$110 Sr - |                                      |
| 5        | Current                                 | (375,288)                            |
|          | 120.509: Accum Amort \$45MM SR          |                                      |
| 6        | RGRT Issuance Cost                      | (120,454)                            |
| 7        | Total                                   | <u>\$ (70,596,113)</u>               |

<sup>(1)</sup> Total Electric Per Books

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.06: DISTRIBUTION OF COSTS FOR ACCOUNT 120.5 PG 2  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA N. CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

120.501: Dry Cask Storage-CWIP

| (a)      |               | (b)                                  | (c)                                  |
|----------|---------------|--------------------------------------|--------------------------------------|
| Line No. | Date          | Description                          | Test Year End Balance <sup>(1)</sup> |
| 1        | Sep - 2024    | DRY CASK STORAGE-CWIP <sup>(2)</sup> | \$ 2,363                             |
| 2        | Total 120.501 |                                      | <u>\$ 2,363</u>                      |

<sup>(1)</sup> Total Electric Per Books  
<sup>(2)</sup> This information is not recorded on a unit basis

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.06: DISTRIBUTION OF COSTS FOR ACCOUNT 120.5 PG 3  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA N. CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

120.502: Dry Cask Storage-Asset

|          |               | (a)    | (b)    | (c)      | (d)                  | (e)   |
|----------|---------------|--------|--------|----------|----------------------|-------|
| Line No. | Date          | Unit 1 | Unit 2 | Unit 3   | Total <sup>(1)</sup> |       |
| 1        | Sep - 2024    | \$ 748 | \$ 804 | \$ 2,970 | \$                   | 4,522 |
| 2        | Total 120.502 |        |        |          | \$                   | 4,522 |

<sup>(1)</sup>Total Electric Per Books

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.06: DISTRIBUTION OF COSTS FOR ACCOUNT 120.5 PG 4  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA N. CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

120.503: Amort of Nuclear Fuel

|          | (a)                                 | (b)             | (c)             | (d)             | (e)             |
|----------|-------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Line No. | Description                         | Unit 1          | Unit 2          | Unit 3          | Total           |
| 1        | <u>Nuclear Fuel Hardcosts</u>       |                 |                 |                 |                 |
| 2        | Batch No. <sup>(1)</sup>            |                 |                 |                 |                 |
| 3        | 1                                   | \$ (5,380,888)  | \$ (6,586,924)  | \$ (5,207,537)  | \$ (17,155,349) |
| 4        | 2                                   | (7,162,971)     | (8,829,632)     | (5,400,730)     | (21,393,333)    |
| 5        | 3                                   | (4,152,158)     | (5,212,027)     | (3,259,845)     | (12,624,029)    |
| 6        | 4                                   | (2,713,295)     | (4,636,633)     | (1,166,187)     | (8,516,115)     |
| 7        | 5                                   | (1,654,426)     | (2,367,212)     | (871,216)       | (4,892,853)     |
| 8        | 6                                   | (82,337)        | (163,154)       | (162,009)       | (407,500)       |
| 9        | 7                                   | 0               | 0               | 0               | 0               |
| 10       | 8                                   | 0               | 0               | 0               | 0               |
| 11       | 9                                   | 0               | 0               | 0               | 0               |
| 12       | Total Nuclear Fuel Hardcosts        | (21,126,075)    | (27,795,581)    | (16,067,524)    | (64,989,180)    |
| 13       | Capitalized Interest <sup>(2)</sup> | (1,407,609)     | (1,782,616)     | (1,071,414)     | (4,261,639)     |
| 14       | Total 120.503                       | \$ (22,533,684) | \$ (29,578,197) | \$ (17,138,938) | \$ (69,250,819) |

<sup>(1)</sup> Batch Numbers are the assembly groups defined by common insertion and removal dates.

<sup>(2)</sup> This information is not calculated on a batch basis.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.06: DISTRIBUTION OF COSTS FOR ACCOUNT 120.5 PG 5  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA N. CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

120.505: Amort RCF Issuance Costs - NF

|          | (a)             | (b)          | (c)          | (d)          | (e)                                  |
|----------|-----------------|--------------|--------------|--------------|--------------------------------------|
| Line No. | Date            | Unit 1       | Unit 2       | Unit 3       | Test Year End Balance <sup>(1)</sup> |
| 1        | Sep - 2024      | \$ (294,068) | \$ (283,224) | \$ (279,145) | \$ (856,437)                         |
| 2        | Total 120.504-5 |              |              |              | <u>\$ (856,437)</u>                  |

<sup>(1)</sup> Total Electric Per Books

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.06: DISTRIBUTION OF COSTS FOR ACCOUNT 120.5 PG 6  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA N. CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

120.507: Accum Issuance Cost \$110 Sr - Current

|          | (a)             | (b)          | (c)         | (d)          | (e)                                  |
|----------|-----------------|--------------|-------------|--------------|--------------------------------------|
| Line No. | Date            | Unit 1       | Unit 2      | Unit 3       | Test Year End Balance <sup>(1)</sup> |
| 1        | Sep - 2024      | \$ (128,496) | \$ (86,808) | \$ (159,984) | \$ (375,288)                         |
| 2        | Total 120.506-8 |              |             |              | <u>\$ (375,288)</u>                  |

<sup>(1)</sup> Total Electric Per Books

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.06: DISTRIBUTION OF COSTS FOR ACCOUNT 120.5 PG 7  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA N. CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

120.509: Accum Amort \$45MM SR RGRT Issuance Cost

|          | (a)           | (b)         | (c)         | (d)         | (e)                                  |
|----------|---------------|-------------|-------------|-------------|--------------------------------------|
| Line No. | Date          | Unit 1      | Unit 2      | Unit 3      | Test Year End Balance <sup>(1)</sup> |
| 1        | Sep - 2024    | \$ (42,319) | \$ (28,283) | \$ (49,852) | \$ (120,454)                         |
| 2        | Total 120.509 |             |             |             | <u>\$ (120,454)</u>                  |

<sup>(1)</sup> Total Electric Per Books



EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.7: DISTRIBUTION OF COSTS FOR ACCOUNT 120.6  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.7  
PAGE 1 OF 8

| Line<br>No. | (a)<br>Description                       | (b)<br>FERC<br>Account | (c)<br>Test Year End<br>Balance (A) |
|-------------|--|------------------------|-------------------------------------|
| 1           | Nuclear Fuel in Process                  | 120.601                | \$ 74,892,622                       |
| 2           | Nuclear Fuel in Stock                    | 120.602                | 0                                   |
| 3           | Nuclear Fuel Assemblies in Reactor       | 120.603                | 112,912,158                         |
| 4           | Revolving Credit Facility Issuance Costs | 120.604-5              | 827,030                             |
| 5           | Senior Notes Issuance Costs              | 120.606-9              | 865,991                             |
| 6           | Total                                    |                        | <u>\$ 189,497,801</u>               |

(A) Total Electric Per Books

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

EL PASO ELECTRIC COMPANY  
 2025 TEXAS RATE CASE FILING  
 SCHEDULE C-6.7: DISTRIBUTION OF COSTS FOR ACCOUNT 120.6  
 SPONSOR: JULISSA I. REZA  
 PREPARER: KAYLA CARRASCO  
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.7  
 PAGE 2 OF 8

NUCLEAR FUEL IN PROCESS, ACCOUNT 120.601

| Line<br>No. | (a)<br>Description (A)             | (b)<br>Quantity | (c)<br>Test Year End<br>Balance |
|-------------|------------------------------------|-----------------|---------------------------------|
| 1           | Uranium Concentrates (U308)        | 1,040,960 lbs.  | \$ 47,248,687                   |
| 2           | Natural Uranium Hexafluoride (UF6) | 329,515 KgU.    | 6,197,204                       |
| 3           | Enriched Uranium Hexafluoride      | 137,788 SWU     | 10,422,693                      |
| 4           | Fabricated Fuel Assemblies         | 25              | 4,488,724                       |
| 5           | Other Costs:                       |                 |                                 |
| 6           | Capitalized Interest               |                 | 5,258,263                       |
| 7           | All Other Costs                    |                 | <u>1,277,051</u>                |
| 8           | Total Account 120.601              |                 | <u><u>\$ 74,892,622</u></u>     |

(A) Amounts shown are EPE's share.  
 A more detailed breakout of costs and quantity at the participant level is not available.

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

EL PASO ELECTRIC COMPANY  
 2025 TEXAS RATE CASE FILING  
 SCHEDULE C-6.7: DISTRIBUTION OF COSTS FOR ACCOUNT 120.6  
 SPONSOR: JULISSA I. REZA  
 PREPARER: KAYLA CARRASCO  
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.7  
 PAGE 3 OF 8

NUCLEAR FUEL - IN STOCK, ACCOUNT 120.602

| Line<br>No. | (a)<br>Description (A)            | (b)<br>Quantity | (c)<br>Test Year End<br>Balance |
|-------------|-----------------------------------|-----------------|---------------------------------|
| 1           | Uranium Concentrates (U308)       | None            | \$ 0                            |
| 2           | Natural Uranium Hexafluoride (UF6 | None            | 0                               |
| 3           | Enriched Uranium Hexafluoride     | None            | 0                               |
| 4           | Fabricated Fuel Assemblies        | None            | 0                               |
| 5           | Other Costs:                      |                 |                                 |
| 6           | Capitalized Interest              |                 | 0                               |
| 7           | All Other Costs                   |                 | <u>0</u>                        |
| 8           | Total Account 120.602             |                 | <u><u>\$ 0</u></u>              |

(A) Amounts shown are EPE's share.  
 A more detailed breakout of costs and quantity at the participant level is not available.

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

EL PASO ELECTRIC COMPANY  
 2025 TEXAS RATE CASE FILING  
 SCHEDULE C-6.7: DISTRIBUTION OF COSTS FOR ACCOUNT 120.6  
 SPONSOR: JULISSA I. REZA  
 PREPARER: KAYLA CARRASCO  
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.7  
 PAGE 4 OF 8

NUCLEAR FUEL IN REACTOR, ACCOUNT 120.603, UNIT 1

| Line No. | (a)<br>Batch No.         | (b)<br>Uranium      | (c)<br>Conversion  | (d)<br>Enrichment   | (e)<br>Fabrication | (f)<br>Miscellaneous | (g)<br>Total         |
|----------|--------------------------|---------------------|--------------------|---------------------|--------------------|----------------------|----------------------|
| 1        | 1                        | \$ 2,618,278        | \$ 308,680         | \$ 1,630,315        | \$ 983,935         | \$ 255,050           | \$ 5,796,257         |
| 2        | 2                        | 3,992,616           | 507,477            | 2,214,823           | 1,583,292          | 526,666              | 8,824,874            |
| 3        | 3                        | 2,661,744           | 338,318            | 1,476,548           | 1,055,528          | 351,111              | 5,883,249            |
| 4        | 4                        | 3,725,951           | 532,303            | 2,122,493           | 1,782,787          | 481,339              | 8,644,873            |
| 5        | 5                        | 2,483,967           | 354,869            | 1,414,996           | 1,188,525          | 320,892              | 5,763,249            |
| 6        | 6                        | 0                   | 0                  | 0                   | 0                  | 0                    | 0                    |
| 7        | 7                        | 0                   | 0                  | 0                   | 0                  | 0                    | 0                    |
| 8        | 8                        | 0                   | 0                  | 0                   | 0                  | 0                    | 0                    |
| 9        | 9                        | 0                   | 0                  | 0                   | 0                  | 0                    | 0                    |
| 10       | Total                    | <u>\$15,482,556</u> | <u>\$2,041,647</u> | <u>\$ 8,859,175</u> | <u>\$6,594,067</u> | <u>\$ 1,935,058</u>  | <u>34,912,502</u>    |
| 11       |                          |                     |                    |                     |                    |                      |                      |
| 12       | Capitalized Interest (A) |                     |                    |                     |                    |                      | <u>2,376,016</u>     |
| 13       |                          |                     |                    |                     |                    |                      |                      |
| 14       | Total Unit 1             |                     |                    |                     |                    |                      | <u>\$ 37,288,518</u> |

(A) These items are calculated on a unit basis only.

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

EL PASO ELECTRIC COMPANY  
 2025 TEXAS RATE CASE FILING  
 SCHEDULE C-6.7: DISTRIBUTION OF COSTS FOR ACCOUNT 120.6  
 SPONSOR: JULISSA I. REZA  
 PREPARER: KAYLA CARRASCO  
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.7  
 PAGE 5 OF 8

NUCLEAR FUEL IN REACTOR, ACCOUNT 120.603, UNIT 2

| Line No. | (a)<br>Batch No.         | (b)<br>Uranium       | (c)<br>Conversion   | (d)<br>Enrichment   | (e)<br>Fabrication  | (f)<br>Miscellaneous | (g)<br>Total         |
|----------|--------------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| 1        | 1                        | \$ 2,518,972         | \$ 296,972          | \$ 1,131,607        | \$ 901,301          | \$ 1,786,441         | \$ 6,635,293         |
| 2        | 2                        | 4,101,485            | 523,821             | 2,536,813           | 1,342,078           | 561,086              | 9,065,283            |
| 3        | 3                        | 2,734,324            | 349,214             | 1,691,209           | 894,719             | 374,057              | 6,043,523            |
| 4        | 4                        | 3,667,362            | 523,933             | 2,002,214           | 1,431,170           | 449,287              | 8,073,966            |
| 5        | 5                        | 2,881,499            | 411,662             | 1,573,168           | 1,124,491           | 353,715              | 6,344,535            |
| 6        | 6                        | 0                    | 0                   | 0                   | 0                   | 0                    | 0                    |
| 7        | 7                        | 0                    | 0                   | 0                   | 0                   | 0                    | 0                    |
| 8        | 8                        | 0                    | 0                   | 0                   | 0                   | 0                    | 0                    |
| 9        | 9                        | 0                    | 0                   | 0                   | 0                   | 0                    | 0                    |
| 10       | Total                    | <u>\$ 15,903,642</u> | <u>\$ 2,105,602</u> | <u>\$ 8,935,011</u> | <u>\$ 5,693,759</u> | <u>\$ 3,524,586</u>  | 36,162,600           |
| 11       |                          |                      |                     |                     |                     |                      |                      |
| 12       | Capitalized Interest (A) |                      |                     |                     |                     |                      | <u>2,343,806</u>     |
| 13       |                          |                      |                     |                     |                     |                      |                      |
| 14       | Total Unit 2             |                      |                     |                     |                     |                      | <u>\$ 38,506,406</u> |

(A) These items are calculated on a unit basis only.

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

EL PASO ELECTRIC COMPANY  
 2025 TEXAS RATE CASE FILING  
 SCHEDULE C-6.7: DISTRIBUTION OF COSTS FOR ACCOUNT 120.6  
 SPONSOR: JULISSA I. REZA  
 PREPARER: KAYLA CARRASCO  
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.7  
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NUCLEAR FUEL IN REACTOR, ACCOUNT 120.603, UNIT 3

| Line No. | (a)<br>Batch No.         | (b)<br>Uranium       | (c)<br>Conversion   | (d)<br>Enrichment   | (e)<br>Fabrication  | (f)<br>Miscellaneous | (g)<br>Total         |
|----------|--------------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| 1        | 1                        | \$ 2,502,496         | \$ 331,385          | \$ 1,823,961        | \$ 1,000,955        | \$ 234,796           | \$ 5,893,593         |
| 2        | 2                        | 3,682,644            | 473,123             | 2,073,103           | 1,644,004           | 399,852              | 8,272,726            |
| 3        | 3                        | 2,455,096            | 315,416             | 1,382,069           | 1,096,003           | 266,567              | 5,515,151            |
| 4        | 4                        | 3,860,230            | 577,678             | 2,225,022           | 1,801,768           | 489,056              | 8,953,754            |
| 5        | 5                        | 2,573,486            | 385,119             | 1,483,348           | 1,201,179           | 326,023              | 5,969,155            |
| 6        | 6                        | 0                    | 0                   | 0                   | 0                   | 0                    | 0                    |
| 7        | 7                        | 0                    | 0                   | 0                   | 0                   | 0                    | 0                    |
| 8        | 8                        | 0                    | 0                   | 0                   | 0                   | 0                    | 0                    |
| 9        | 9                        | 0                    | 0                   | 0                   | 0                   | 0                    | 0                    |
| 10       | Total                    | <u>\$ 15,073,952</u> | <u>\$ 2,082,721</u> | <u>\$ 8,987,503</u> | <u>\$ 6,743,909</u> | <u>\$ 1,716,294</u>  | 34,604,379           |
| 11       |                          |                      |                     |                     |                     |                      |                      |
| 12       | Capitalized Interest (A) |                      |                     |                     |                     |                      | 2,512,854            |
| 13       |                          |                      |                     |                     |                     |                      |                      |
| 14       | Total Unit 3             |                      |                     |                     |                     |                      | <u>\$ 37,117,233</u> |

(A) These items are calculated on a unit basis only.

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

SCHEDULE C-6.7  
 PAGE 6 OF 8

EL PASO ELECTRIC COMPANY  
 2025 TEXAS RATE CASE FILING  
 SCHEDULE C-6.7: DISTRIBUTION OF COSTS FOR ACCOUNT 120.6  
 SPONSOR: JULISSA I. REZA  
 PREPARER: KAYLA CARRASCO  
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.7  
 PAGE 7 OF 8

REVOLVING CREDIT FACILITY ISSUANCE COSTS, ACCOUNT 120.604-5

|          | (a)            | (b)                     | (c)       | (d)       | (e)        | (f)               |
|----------|----------------|-------------------------|-----------|-----------|------------|-------------------|
| Line No. | Date           | Nuclear Fuel In Process | Unit 1    | Unit 2    | Unit 3     | Total (A)         |
| 1        | September 2024 | \$ 0                    | \$293,313 | \$267,930 | \$ 265,787 | <u>\$ 827,030</u> |

(A) Total Electric Per Books

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

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE C-6.7: DISTRIBUTION OF COSTS FOR ACCOUNT 120.6  
SPONSOR: JULISSA I. REZA  
PREPARER: KAYLA CARRASCO  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE C-6.7  
PAGE 8 OF 8

SENIOR NOTES ISSUANCE COSTS, ACCOUNT 120.606-9

|             | (a)            | (b)                           | (c)       | (d)       | (e)       | (f)               |
|-------------|----------------|-------------------------------|-----------|-----------|-----------|-------------------|
| Line<br>No. | Date           | Nuclear<br>Fuel In<br>Process | Unit 1    | Unit 2    | Unit 3    | Total (A)         |
| 1           | September 2024 | \$ 0                          | \$299,648 | \$200,889 | \$365,454 | <u>\$ 865,991</u> |

(A) Total Electric Per Books

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



## ALLOCATION OF UNASSIGNED BALANCE

### PALO VERDE GENERATING STATION – NUCLEAR FUEL

Inventory programs are maintained for uranium, conversion and enrichment, with the dollars per pound, dollars per UF<sub>6</sub> and dollars per Separative Work Unit (SWU) determined based on a weighted average cost basis. Fabrication costs are allocated to specific reloads.

Palo Verde Nuclear Fuel Management Department provides the specific number of pounds of uranium, KgU of conversion and SWU of enrichment by reload group for a specific refueling and the date of allocation. The weighted average cost of each component at the time of allocation are then multiplied by the number of units for each component to determine the uranium, conversion and SWU costs for the specific reload. This weighted average is based on quantities supplied at different contractually specified prices and is done in accordance with generally accepted accounting practices.

Each Owner/Participant in the Palo Verde Project has the option of determining their own dollars for uranium, conversion and enrichment. The method, described above, is used by the Palo Verde Nuclear Fuel Management Department to calculate nuclear fuel inventory for the total project.

El Paso Electric Company has additional costs associated with financing its share of nuclear fuel through the Rio Grande Resources Trust II ("RGRT"), which can utilize up to \$550 million of the Company's revolving credit facility ("RCF"). Additionally, the RGRT issued \$110 million of senior notes on August 10, 2010 which was utilized to pay down the credit facility and allow for more permanent long-term nuclear fuel financing. These additional financing costs consist of financing charges, commitment fees and issuance costs incurred with the revolving credit facility and the senior notes. These additional costs are allocated to the Company's share of nuclear fuel that has been loaded in each Palo Verde unit and the balance of unloaded nuclear fuel and in-process nuclear fuel. The additional costs are allocated based on the costs accumulated for each load in the units and the unloaded and in-process fuel.

Please refer to Schedule I-2, Fuel and Purchased Power Procurement Practices, containing EPE's Fuels Policies and Procedures (Procedures). Section V.B.3 of the Procedures outlines EPE's nuclear fuel inventory policy. The inventory procedures were in effect during the Test Year. Palo Verde Generating Station nuclear fuel inventory is managed by Arizona Public Service Company (APS) the station's operating agent. EPE oversees the management of fuel-related issues. APS maintains a working inventory of nuclear fuel that ensures security of supply in each portion of the supply chain.

This working inventory is maintained to meet refueling needs and approximately two and a half reloads of fuel in inventory over the current requirements to respond to shortages. Refueling needs include providing a steady supply of U3O8, UF6 and enriched UF6 to the fuel cycle process to respond to fuel design changes and dates for conversion, enrichment, fabrication and delivery. As of September 30, 2024, the working inventory included a total of HIGHLY SENSITIVE lbs. (EPE share HIGHLY SENSITIVE lbs.) equivalent of U3O8. Of this material, HIGHLY SENSITIVE lbs. (EPE share HIGHLY SENSITIVE lbs.) are in the form of U3O8 and HIGHLY SENSITIVE lbs. (EPE share HIGHLY SENSITIVE lbs.) are in the form of natural UF6. In addition, HIGHLY SENSITIVE lbs. (EPE share HIGHLY SENSITIVE lbs.) are in the form of enriched UF6. Depending on the need within the fuel cycle, various amounts of the inventory are located at suppliers, convertors, enrichers and/or fabricators.

On-site inventory consists of fabricated fuel assemblies that will be used in the immediate unit refueling outage.

El Paso Electric Company ("EPE" or "Company") finances its portion of nuclear fuel for the Palo Verde Generating Station ("PNGS") through the Rio Grande Resources Trust II ("RGRT" or "Trust"), which is included in the consolidated financial statements of EPE. Allowable costs financed by the Trust include all costs for procuring and processing nuclear fuel. Spent fuel costs incurred for nuclear fuel are excluded from costs financed by the Trust. This arrangement allows EPE to assign to the RGRT EPE's interest in the nuclear fuel costs relating to the PVGS. The Trust borrows the necessary funds to honor its obligations under the nuclear fuel agreements through a joint Revolving Credit Facility ("RCF") that allows RGRT to finance nuclear fuel and EPE to borrow to meet working capital requirements. On May 5, 2023, EPE amended and restated its \$400 million RCF to (i) change the rate provisions from LIBO/Eurodollar to Term SOFR, (ii) extend the initial maturity date to May 5, 2028, and (iii) increase the commitment to \$450 million. On January 19, 2024, the Company exercised one of its options to increase the size of its \$450 million RCF by \$50 million to a total of \$500 million. On July 26, 2024, EPE exercised its last remaining option to increase the size of its \$500 million RCF by \$50 million to a total of \$550 million. EPE has two remaining options to extend the initial maturity date of the facility by one additional year, subject to approval by the lenders and upon the satisfaction of certain conditions.

Additionally, in 2010, the Company and the RGRT entered into a note purchase agreement with various institutional purchasers. Under the terms of the agreement, RGRT issued and sold to the purchasers \$110.0 million aggregate principal amount of Senior Guaranteed Notes. The proceeds of which were utilized to pay down the RCF and allow for more permanent long-term nuclear fuel financing. In 2018, the RGRT issued and sold \$65 million aggregate principal amount of Senior Guaranteed Notes due August 15, 2025. In 2021, the RGRT issued and sold \$45 million aggregate principal amount of Senior Guaranteed Notes due September 22, 2031. EPE unconditionally guarantees the obligations of the RGRT, and repays those obligations from fuel revenues.

The Trustee (originally Texas Commerce Bank National Association) and EPE entered into a trust agreement dated as of February 12, 1996. The trust agreement remains in effect with The Bank of New York Mellon Trust Company, N.A. as Trustee.

The general purpose of the Trust is to provide a financing vehicle for nuclear fuel. By using a trust, the Company can avoid incurring significant up-front cash outflows several years prior to the time when the fuel is actually consumed at PVGS. In this context, it is important to understand that a major portion of the total costs associated with nuclear fuel is the carrying cost. This is due to the extended time period involved in developing uranium into nuclear fuel. Utilizing a nuclear fuel trust and borrowing the funds for purchases by such trust is less expensive than including the fuel in rate base. Because the Trust utilizes 100% debt financing for the funding of its nuclear fuel, the Trust financing vehicle minimizes the expense associated with nuclear fuel carrying costs.

The Trust arrangement operates as follows:

Arizona Public Service Company ("APS"), as PVGS Project Manager, sends invoices to EPE for fuel payments representing EPE's share of nuclear fuel purchased for PVGS. From this information, a billing is sent from EPE to RGRT requesting payment. RGRT borrows on the RCF and reimburses EPE for the cost of the fuel. EPE funds the APS request for funds and is typically reimbursed by the Trust on the same day. As fuel purchases are made by the Trust, interest and fees are incurred and accrued on the Trust's balance sheet. When a portion of the nuclear fuel owned by the Trust is loaded into the reactors at PVGS, the carrying cost of that portion of the Trust's nuclear fuel is allocated to EPE as an added cost of the fuel. EPE pays the Trust quarterly for the fuel consumed and the allocated carrying costs. This treatment minimizes the cost of the Company's nuclear fuel. EPE, then, recovers these fuel costs through the Fuel and Purchased Power Cost Adjustment Clause.

The RGRT fee structure is as follows:

- Management Fee – \$11,812.50 per quarter
- RCF Borrowing Fees<sup>(1)</sup> - SOFR plus 1.125% for SOFR borrowings, Prime Rate plus 0.125% for Alternate Base Rate (ABR) borrowings.
- Trust Senior Unsecured Notes currently outstanding:
  - \$65,000,000 due August 15, 2025 at 4.07%
  - \$45,000,000 due September 22, 2031 at 2.35%

(1) Lower cost Secured Overnight Financing Rate (SOFR) borrowings are the preferred borrowing method and are utilized as often as possible.

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE D-01: ACCUMULATED DEPRECIATION BY FUNCTIONAL CLASS PG 1  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

|          | (a)                    | (b)                       | (c)                     | (d)                         | (e)                           | (f)                        | (g)                       |
|----------|------------------------|---------------------------|-------------------------|-----------------------------|-------------------------------|----------------------------|---------------------------|
| Line No. | Description            | Beginning Balance         | Accruals                | Retirements and Adjustments | Ending Balance <sup>(1)</sup> | Adjustments <sup>(2)</sup> | As Adjusted               |
|          | Production Plant       |                           |                         |                             |                               |                            |                           |
| 1        | Steam Production       | \$ (293,970,396)          | \$ (18,579,050)         | \$ 11,632,815               | \$ (300,916,631)              | \$ 3,024,534               | \$ (297,892,097)          |
| 2        | Other Production       | (115,139,804)             | (18,524,927)            | (490,457)                   | (134,155,188)                 | 8,154,742                  | (126,000,446)             |
| 3        | Nuclear Production     | (1,359,636,501)           | (33,418,841)            | 13,326,434                  | (1,379,728,909)               | 861,476,160                | (518,252,749)             |
| 4        | Total Production Plant | (1,768,746,702)           | (70,522,818)            | 24,468,792                  | (1,814,800,728)               | 872,655,436                | (942,145,292)             |
| 5        | Transmission           | (270,307,018)             | (11,626,138)            | 590,799                     | (281,342,358)                 | 3,464,291                  | (277,878,067)             |
| 6        | Distribution           | (483,023,916)             | (43,400,543)            | 24,805,919                  | (501,618,541)                 | 261,798                    | (501,356,743)             |
| 7        | General                | (124,271,655)             | (16,674,532)            | 828,801                     | (140,117,387)                 | (366,677)                  | (140,484,064)             |
| 8        | Total                  | <u>\$ (2,646,349,292)</u> | <u>\$ (142,224,031)</u> | <u>\$ 50,694,310</u>        | <u>\$ (2,737,879,013)</u>     | <u>\$ 876,014,848</u>      | <u>\$ (1,861,864,166)</u> |

<sup>(1)</sup> Total Electric Per Books

<sup>(2)</sup> Refer to Schedule B-1, WP/B-1, Adjustment No. 2.

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

EL PASO ELECTRIC COMPANY  
2025 TEXAS RATE CASE FILING  
SCHEDULE D-01: ACCUMULATED DEPRECIATION BY GENERATING UNIT PG 2  
SPONSOR: CYNTHIA S. PRIETO  
PREPARER: MAGDALENA RODRIGUEZ  
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

| (a)                |   | (b)                                       |
|--------------------|---|---|
| Line No.           | Description                                     | Book Depreciation Reserves <sup>1,2</sup> |
| Steam Production   |   |   |
| Newman             |   |   |
| 1                  | Newman Unit No. 1                               | (28,671.366)                              |
| 2                  | Newman Unit No. 2                               | (26,490.724)                              |
| 3                  | Newman Unit No. 3                               | (21,329.498)                              |
| 4                  | Newman Unit No. 4                               | (82,524.049)                              |
| 5                  | Newman Unit No. 5                               | (77,877.064)                              |
| 6                  | Newman Common                                   | (6,662.145)                               |
| 7                  | Newman Zero Liquid Discharge                    | 6,729.401                                 |
| 8                  | Newman Zero Liquid Discharge Membranes          | (14.361)                                  |
| 9                  | Newman Asset Retirement Obligation              | 254.252                                   |
| Rio Grande         |   |   |
| 10                 | Rio Grande Unit No. 6                           | (10,367.585)                              |
| 11                 | Rio Grande Unit No. 7                           | (13,047.661)                              |
| 12                 | Rio Grande Unit No. 8                           | (33,381.680)                              |
| 13                 | Rio Grande Common                               | (4,458.716)                               |
| 14                 | Rio Grande Asset Retirement Obligation          | (106.067)                                 |
| Steam              |   |   |
| 15                 | Steam Prod Plant - FERC Depreciation Adjustment | (2,969.364)                               |
| 16                 | Subtotal Steam Production                       | <u>\$ (300,916.627)</u>                   |
| Nuclear Production |   |   |
| Palo Verde         |   |   |
| 17                 | Palo Verde Common Plant                         | (190,833.784)                             |
| 18                 | Palo Verde Unit No. 1                           | (342,485.158)                             |
| 19                 | Palo Verde Unit No. 2                           | (441,930.308)                             |
| 20                 | Palo Verde Unit No. 3                           | (415,659.506)                             |
| 21                 | Palo Verde Asset Retirement Obligation          | 11,179.847                                |
| 22                 | Subtotal Nuclear Production                     | <u>\$ (1,379,728.909)</u>                 |
| Other Production   |   |   |
| Copper             |   |   |
| 23                 | Copper  | (17,729.552)                              |
| 24                 | Copper Asset Retirement Obligation              | (9.062)                                   |
| 25                 | Other Prod Plant - FERC Depreciation Adjustment | (15.478)                                  |
| Montana            |   |   |
| 26                 | Montana Power Unit No. 1                        | (18,534.098)                              |
| 27                 | Montana Power Unit No. 2                        | (17,420.794)                              |
| 28                 | Montana Power Unit No. 3                        | (14,158.067)                              |
| 29                 | Montana Power Unit No. 4                        | (13,571.431)                              |
| 30                 | Montana Power Common                            | (18,059.447)                              |
| 31                 | Montana Asset Retirement Obligation             | (56.658)                                  |
| Newman             |   |   |
| 32                 | Newman Unit No. 6                               | (3,846.493)                               |
| Rio Grande         |   |   |
| 33                 | Rio Grande Unit No. 9                           | (25,311.023)                              |
| Solar              |   |   |
| 34                 | Renewable Solar-Holloman                        | (2,482.442)                               |
| 35                 | Renewable Solar-Montana                         | (1,744.009)                               |
| 36                 | Renewable Solar-NMSU                            | (434.865)                                 |
| 37                 | Renewable Solar-TX                              | (682.567)                                 |
| 38                 | Renewable Solar-NM                              | (99.202)                                  |
| 39                 | Subtotal Other Production                       | <u>\$ (134,155.188)</u>                   |

<sup>1</sup>Total Electric Per Books.

<sup>2</sup>FERC audit adjustment, not assignable to the Texas jurisdiction.

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

El Paso Electric Company ("EPE") currently uses a straight-line group method based on estimated service lives and net salvage rates to calculate a depreciation expense accrual on depreciable property. All equipment is depreciated over the estimated period in which the asset is expected to provide a benefit to the ratepayer. Depreciation of tangible utility plant is charged to FERC Account 403, *Depreciation Expense*, with the exception of transportation equipment, a portion of which is charged to a clearing account (184) in order to arrive at the appropriate distribution of expense between Construction Work in Progress ("CWIP") and Operation and Maintenance ("O&M").

Amortization of software and other intangibles is calculated on a straight-line basis over the expected service life for each system and/or software package. This amortization expense is charged to FERC Account 404, *Amortization Expense*.

EPE has various capitalization policies, practices, and procedures in place to assure that projects are accounted for according to proper capitalization guidelines. Property, plant, and equipment are stated at original cost. The cost of plant includes direct labor and materials, contracted work, overhead costs and applicable AFUDC. The cost of plant retired, as well as gross removal and gross salvage costs, is charged to accumulated depreciation and amortization. New construction costs are capitalized as well as improvements that extend the lives of assets and/or improve the quality or quantity of production. Repair and maintenance costs are charged to expense as incurred.

Schedule D-4 includes the requested depreciation expense using the rates determined in the 2024 Gannett Flemming Depreciation Study ("2024 Study"), with the exception of Intangibles included in Account 303 (5 to 15 year life). The 2024 Study is presented in Schedule D-5 and is co-sponsored by EPE witness John Spanos.

The undepreciated portion of the revalued Palo Verde Generating Station continues to be depreciated over the 40 year original life plus 20 years for the license extension received from the U.S. Nuclear Regulatory Commission in April 2011. All capital additions since the fresh start date (1996) using the fresh start values approved in Docket No. 37690 are being depreciated over the remaining (extended) license life of each unit, with a few exceptions.

EL PASO ELECTRIC COMPANY  
 2025 TEXAS RATE CASE FILING  
 SCHEDULE D-3: PLANT HELD FOR FUTURE USE  
 SPONSOR: CYNTHIA S. PRIETO  
 PREPARER: MAGDALENA RODRIGUEZ  
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE D-3  
 PAGE 1 OF 1

|          | (a)                              | (b)                               | (c)            | (d)                       | (e)                 |
|----------|----------------------------------|-----------------------------------|----------------|---------------------------|---------------------|
| Line No. | Description of Property          | Purpose (1)                       | Date Purchased | Estimated In-Service Date | Total Per Books     |
| 1        | NEW MEXICO SERVICE CENTER        | Las Cruces Operations Center-NM   | May 2021       | To be determined (2)      | \$ 4,581,423        |
| 2        | AFTON LAND PURCHASE              | Renewable development projects-NM | Dec 2022       | Dec 2027                  | 1,358,090           |
| 3        | CE2 NEW SUBSTATION (DIST)        | Build substation-Distribution TX  | Sep 2023       | Jun 2028                  | 904,242             |
| 4        | NEW VADO TRANSMISSION SUBSTATION | Build substation-Transmission NM  | Aug 2019       | May 2026                  | 813,772             |
| 5        | E-2 SUBSTATION                   | Build substation-Distribution NM  | Sep 2018       | Jan 2029                  | 201,169             |
| 6        | LEASBURG SUBSTATION              | Build substation-Distribution NM  | Jun 2018       | Dec 2026                  | 172,320             |
| 7        | CE-3 NEW DIST SUBSTATION         | Build substation-Distribution TX  | Dec 2020       | Jun 2026                  | 146,113             |
| 8        | VERDE SUBSTATION                 | Build substation-Distribution NM  | Jun 2018       | Jan 2030                  | 87,216              |
| 9        | Total                            |                                   |                |                           | <u>\$ 8,264,345</u> |

(1) All items are land purchases.

(2) This item is removed from rate base in WP B-1, Adjustment No. 1 - Plant in Service due to the uncertainty regarding the date of its future use.  
 Amounts may not add or tie to other schedules due to rounding.



| (a)               | (b)  | (c)                                 | (d)                                     | (e)                                    | (f)                                   | (g)                                       | (h)                                      | (i) | (j)            |
|-------------------|--|-------------------------------------|---|--|---------------------------------------|---|--|-----|----------------|
| Line No.          | Account Number and Description of Account                | Current Test Year Depreciable Plant | Current Test Year Depreciation Rate (%) | Current Test Year Depreciation Expense | Requested Test Year Depreciable Plant | Requested Test Year Depreciation Rate (%) | Requested Test Year Depreciation Expense |     | Adjustment (3) |
| Steam Production  |  |                                     |   |  |                                       |   |  |     |                |
| Newman Common     |  |                                     |   |  |                                       |   |  |     |                |
| 1                 | 311 - Structures and Improvements                        | \$ 25,342,077                       | 2.20%                                   | \$ 529,230                             | \$ 25,342,077                         | 2.42%                                     | \$ 613,278                               | \$  | 84,048         |
| 2                 | 312 - Boiler plant equipment                             | 6,898,859                           | 2.15%                                   | 144,804                                | 6,898,859                             | 2.22%                                     | 153,155                                  |     | 8,350          |
| 3                 | 314 - Turbogenerator units                               | 911,574                             | 1.95%                                   | 17,745                                 | 911,574                               | 2.25%                                     | 20,510                                   |     | 2,766          |
| 4                 | 315 - Accessory electric equipment                       | 392,614                             | 2.03%                                   | 5,882                                  | 392,614                               | 2.62%                                     | 10,286                                   |     | 4,404          |
| 5                 | 316 - Misc power plant equipment                         | 4,750,640                           | 1.72%                                   | 77,354                                 | 4,750,640                             | 1.45%                                     | 68,884                                   |     | (8,469)        |
| 6                 | 317 - Asset Retirement Costs -Steam                      | 486,700                             | 0.00%                                   | (6,909)                                | 486,700                               | 0.00%                                     | (6,909)                                  |     | -              |
| 7                 | Subtotal Newman Common                                   | 38,782,464                          |   | 768,106                                | 38,782,464                            |   | 859,206                                  |     | 91,099         |
| Newman Unit No. 1 |  |                                     |   |  |                                       |   |  |     |                |
| 8                 | 311 - Structures and Improvements                        | 1,385,986                           | 1.32%                                   | 18,309                                 | 1,385,986                             | 3.56%                                     | 49,341                                   |     | 31,032         |
| 9                 | 312 - Boiler plant equipment                             | 9,570,768                           | 3.35%                                   | 319,448                                | 9,570,768                             | 1.20%                                     | 114,849                                  |     | (204,599)      |
| 10                | 313 - Engines/eng-driven generators                      | 327,497                             | 0.00%                                   | -                                      | 327,497                               | 1.20%                                     | 3,930                                    |     | 3,930          |
| 11                | 314 - Turbogenerator units                               | 15,913,849                          | 5.67%                                   | 841,030                                | 15,913,849                            | 2.75%                                     | 437,631                                  |     | (403,459)      |
| 12                | 315 - Accessory electric equipment                       | 2,125,736                           | 0.35%                                   | 7,433                                  | 2,125,736                             | 17.65%                                    | 375,192                                  |     | 367,760        |
| 13                | 316 - Misc power plant equipment                         | 2,177,689                           | 0.34%                                   | -                                      | 2,177,689                             | 1.20%                                     | 26,132                                   |     | 26,132         |
| 14                | Subtotal Newman Unit No. 1                               | 31,501,526                          |   | 1,186,280                              | 31,501,526                            |   | 1,007,076                                |     | (179,204)      |
| Newman Unit No. 2 |  |                                     |   |  |                                       |   |  |     |                |
| 15                | 311 - Structures and Improvements                        | 819,417                             | 9.56%                                   | 59,974                                 | 819,417                               | 0.91%                                     | 7,457                                    |     | (52,517)       |
| 16                | 312 - Boiler plant equipment                             | 17,353,901                          | 11.81%                                  | 1,437,431                              | 17,353,901                            | 13.16%                                    | 2,283,773                                |     | 846,343        |
| 17                | 314 - Turbogenerator units                               | 12,766,220                          | 5.99%                                   | 764,478                                | 12,766,220                            | 2.81%                                     | 358,731                                  |     | (405,747)      |
| 18                | 315 - Accessory electric equipment                       | 1,052,959                           | 1.74%                                   | -                                      | 1,052,959                             | 0.86%                                     | 9,055                                    |     | 9,055          |
| 19                | 316 - Misc power plant equipment                         | 2,829,106                           | 1.67%                                   | -                                      | 2,829,106                             | 0.86%                                     | 24,330                                   |     | 24,330         |
| 20                | Subtotal Newman Unit No. 2                               | 34,821,604                          |   | 2,261,882                              | 34,821,604                            |   | 2,683,347                                |     | 421,465        |
| Newman Unit No. 3 |  |                                     |   |  |                                       |   |  |     |                |
| 21                | 311 - Structures and Improvements                        | 1,140,368                           | 3.56%                                   | 40,578                                 | 1,140,368                             | 1.14%                                     | 13,000                                   |     | (27,578)       |
| 22                | 312 - Boiler plant equipment                             | 19,919,907                          | 3.94%                                   | 757,312                                | 19,919,907                            | 6.59%                                     | 1,312,722                                |     | 555,410        |
| 23                | 314 - Turbogenerator units                               | 18,207,943                          | 6.33%                                   | 763,491                                | 18,207,943                            | 6.85%                                     | 1,247,244                                |     | 483,753        |
| 24                | 314 - Turbogenerator units - Estimated insurance payment | 1,800,000                           | 6.33%                                   | 47,444                                 | -                                     | 0.00%                                     | -  |     | (47,444)       |
| 25                | 315 - Accessory electric equipment                       | 5,058,813                           | 4.70%                                   | 237,625                                | 5,058,813                             | 7.27%                                     | 367,776                                  |     | 130,151        |
| 26                | 316 - Misc power plant equipment                         | 5,645,294                           | 0.77%                                   | -                                      | 5,645,294                             | 0.29%                                     | 16,371                                   |     | 16,371         |
| 27                | Subtotal Newman Unit No. 3                               | 51,772,324                          |   | 1,846,450                              | 49,972,324                            |   | 2,957,113                                |     | 1,110,663      |
| Newman Unit No. 4 |  |                                     |   |  |                                       |   |  |     |                |
| 28                | 311 - Structures and Improvements                        | 16,351,295                          | 5.48%                                   | -                                      | 16,351,295                            | 5.28%                                     | 863,348                                  |     | 863,348        |
| 29                | 312 - Boiler plant equipment                             | 8,198,017                           | 7.04%                                   | 521,349                                | 8,198,017                             | 7.49%                                     | 614,032                                  |     | 92,682         |
| 30                | 313 - Engines/eng-driven generators                      | 72,786,012                          | 7.10%                                   | 2,434,338                              | 72,786,012                            | 11.16%                                    | 8,122,919                                |     | 5,688,581      |
| 31                | 314 - Turbogenerator units                               | 66,941,331                          | 1.55%                                   | 899,221                                | 66,941,331                            | 6.81%                                     | 4,558,705                                |     | 3,659,483      |
| 32                | 315 - Accessory electric equipment                       | 6,799,892                           | 0.74%                                   | 49,494                                 | 6,799,892                             | 0.51%                                     | 34,679                                   |     | (14,814)       |
| 33                | 316 - Misc power plant equipment                         | 11,597,942                          | 0.72%                                   | 62,814                                 | 11,597,942                            | 0.40%                                     | 46,392                                   |     | (16,422)       |
| 34                | Subtotal Newman Unit No. 4                               | 182,674,490                         |   | 3,967,216                              | 182,674,490                           |   | 14,240,075                               |     | 10,272,859     |
| Newman Unit No. 5 |  |                                     |   |  |                                       |   |  |     |                |
| 35                | 311 - Structures and Improvements                        | 26,226,145                          | 1.85%                                   | 485,096                                | 26,226,145                            | 1.94%                                     | 508,787                                  |     | 23,691         |
| 36                | 312 - Boiler plant equipment                             | 127,567,830                         | 1.87%                                   | 2,325,902                              | 127,567,830                           | 1.96%                                     | 2,500,329                                |     | 174,427        |
| 37                | 313 - Engines/eng-driven generators                      | 55,973,380                          | 2.19%                                   | 1,209,115                              | 55,973,380                            | 2.25%                                     | 1,259,401                                |     | 50,286         |
| 38                | 314 - Turbogenerator units                               | 65,336,561                          | 2.02%                                   | 1,302,330                              | 65,336,561                            | 2.14%                                     | 1,398,202                                |     | 95,873         |
| 39                | 315 - Accessory electric equipment                       | 22,115,888                          | 1.85%                                   | 407,444                                | 22,115,888                            | 2.13%                                     | 471,068                                  |     | 63,625         |
| 40                | 316 - Misc power plant equipment                         | 2,583,388                           | 1.38%                                   | 35,694                                 | 2,583,388                             | 1.73%                                     | 44,693                                   |     | 8,999          |
| 41                | Subtotal Newman Unit No. 5                               | 299,803,193                         |   | 5,765,580                              | 299,803,193                           |   | 6,182,481                                |     | 416,901        |

| (a)      | (b)   | (c)                                 | (d)                                     | (e)                                    | (f)                                   | (g)                                       | (h)                                      | (i) | (j)            |
|----------|---|-------------------------------------|---|--|---------------------------------------|---|--|-----|----------------|
| Line No. | Account Number and Description of Account       | Current Test Year Depreciable Plant | Current Test Year Depreciation Rate (%) | Current Test Year Depreciation Expense | Requested Test Year Depreciable Plant | Requested Test Year Depreciation Rate (%) | Requested Test Year Depreciation Expense |     | Adjustment (3) |
| 42       | Newman Zero Liquid Discharge                    |                                     |   |  |                                       |   |  |     |                |
| 43       | 316 - Misc power plant equipment                | 4,050,000                           | 1.89%                                   | 272,498                                | 4,050,000                             | 2.14%                                     | 86,670                                   |     | (185,828)      |
|          | Subtotal Newman Zero Liquid Discharge           | 4,050,000                           |   | 272,498                                | 4,050,000                             |   | 86,670                                   |     | (185,828)      |
| 44       | Newman Zero Liquid Discharge Membranes          |                                     |   |  |                                       |   |  |     |                |
| 45       | 316.2 - Misc power plant - ZLD                  | 158,187                             | 20.00%                                  | 30,874                                 | 158,187                               | 20.00%                                    | 31,637                                   |     | 763            |
|          | Subtotal Newman Zero Liquid Discharge Membranes | 158,187                             |   | 30,874                                 | 158,187                               |   | 31,637                                   |     | 763            |
| 46       | Rio Grande Common                               |                                     |   |  |                                       |   |  |     |                |
| 47       | 311 - Structures and Improvements               | 8,257,353                           | 5.77%                                   | 456,330                                | 8,257,353                             | 7.74%                                     | 639,119                                  |     | 182,789        |
| 48       | 312 - Boiler plant equipment                    | 1,134,042                           | 5.18%                                   | 58,160                                 | 1,134,042                             | 5.89%                                     | 66,796                                   |     | 8,635          |
| 49       | 315 - Accessory electric equipment              | 441,110                             | 3.29%                                   | 14,475                                 | 441,110                               | 10.31%                                    | 45,478                                   |     | 31,004         |
| 50       | 316 - Misc power plant equipment                | 2,734,043                           | 4.27%                                   | 109,631                                | 2,734,043                             | 6.34%                                     | 173,338                                  |     | 63,707         |
| 51       | 317 - Asset Retirement Costs -Steam             | 884,946                             | 0.00%                                   | 74,058                                 | 884,946                               | 0.00%                                     | 74,058                                   |     | -              |
|          | Subtotal Rio Grande Common                      | 13,451,494                          |   | 712,654                                | 13,451,494                            |   | 998,789                                  |     | 286,135        |
| 52       | Rio Grande Unit No. 6                           |                                     |   |  |                                       |   |  |     |                |
| 53       | 311 - Structures and Improvements               | 1,290,817                           | 0.00%                                   | -                                      | 1,290,817                             | 3.82%                                     | 49,309                                   |     | 49,309         |
| 54       | 312 - Boiler plant equipment                    | 2,973,035                           | 0.00%                                   | -                                      | 2,973,035                             | 3.33%                                     | 99,002                                   |     | 99,002         |
| 55       | 314 - Turbogenerator units                      | 3,559,999                           | 0.00%                                   | -                                      | 3,559,999                             | 3.33%                                     | 118,548                                  |     | 118,548        |
| 56       | 315 - Accessory electric equipment              | 784,256                             | 0.00%                                   | -                                      | 784,256                               | 10.93%                                    | 85,719                                   |     | 85,719         |
| 57       | 316 - Misc power plant equipment                | 1,489,365                           | 0.00%                                   | -                                      | 1,489,365                             | 3.33%                                     | 49,596                                   |     | 49,596         |
|          | Subtotal Rio Grande Unit No. 6                  | 10,097,472                          |   | -                                      | 10,097,472                            |   | 402,174                                  |     | 402,174        |
| 58       | Rio Grande Unit No. 7                           |                                     |   |  |                                       |   |  |     |                |
| 59       | 311 - Structures and Improvements               | 1,269,983                           | 1.67%                                   | -                                      | 1,269,983                             | 2.00%                                     | 25,400                                   |     | 25,400         |
| 60       | 312 - Boiler plant equipment                    | 5,695,647                           | 1.67%                                   | 71,365                                 | 5,695,647                             | 6.69%                                     | 381,039                                  |     | 309,674        |
| 61       | 314 - Turbogenerator units                      | 6,223,330                           | 1.01%                                   | 62,742                                 | 6,223,330                             | 15.49%                                    | 963,994                                  |     | 901,252        |
| 62       | 315 - Accessory electric equipment              | 1,266,934                           | 8.51%                                   | 107,634                                | 1,266,934                             | 13.42%                                    | 170,022                                  |     | 62,389         |
| 63       | 316 - Misc power plant equipment                | 1,942,415                           | 0.85%                                   | 7,253                                  | 1,942,415                             | 1.98%                                     | 38,460                                   |     | 31,207         |
|          | Subtotal Rio Grande Unit No. 7                  | 16,398,309                          |   | 249,993                                | 16,398,309                            |   | 1,578,915                                |     | 1,329,921      |
| 64       | Rio Grande Unit No. 8                           |                                     |   |  |                                       |   |  |     |                |
| 65       | 311 - Structures and Improvements               | 3,379,034                           | 1.56%                                   | 50,167                                 | 3,379,034                             | 4.30%                                     | 145,298                                  |     | 95,131         |
| 66       | 312 - Boiler plant equipment                    | 25,943,738                          | 2.32%                                   | 554,757                                | 25,943,738                            | 5.84%                                     | 1,515,114                                |     | 960,357        |
| 67       | 314 - Turbogenerator units                      | 24,784,256                          | 1.48%                                   | 367,312                                | 24,784,256                            | 6.96%                                     | 1,724,984                                |     | 1,357,672      |
| 68       | 315 - Accessory electric equipment              | 9,078,651                           | 5.02%                                   | 455,696                                | 9,078,651                             | 6.97%                                     | 632,782                                  |     | 177,086        |
| 69       | 316 - Misc power plant equipment                | 5,951,708                           | 1.52%                                   | 90,585                                 | 5,951,708                             | 1.73%                                     | 102,965                                  |     | 12,380         |
|          | Subtotal Rio Grande Unit No. 8                  | 69,137,387                          |   | 1,518,517                              | 69,137,387                            |   | 4,121,144                                |     | 2,602,626      |
| 70       | Total Steam Production                          | 752,648,450                         |   | 18,579,050                             | 750,848,450                           |   | 35,148,625                               |     | 16,569,575     |
|          | Other Production                                |                                     |   |  |                                       |   |  |     |                |
|          | Copper  |                                     |   |  |                                       |   |  |     |                |
| 71       | 341 - Structures and improvements               | 3,062,050                           | 1.32%                                   | 39,934                                 | 3,062,050                             | 11.80%                                    | 361,322                                  |     | 321,388        |
| 72       | 342 - Fuel holders, products, access            | 511,691                             | 0.55%                                   | -                                      | 511,691                               | 0.31%                                     | 1,586                                    |     | 1,586          |
| 73       | 343 - Prime movers                              | 19,190,209                          | 3.51%                                   | 667,451                                | 19,190,209                            | 13.96%                                    | 2,678,953                                |     | 2,011,502      |
| 74       | 344 - Generators                                | 1,493,827                           | 3.51%                                   | 53,290                                 | 1,493,827                             | 5.20%                                     | 77,679                                   |     | 24,389         |
| 75       | 344 - Generators-Copper Station                 | 10,369,393                          | 3.51%                                   | 363,177                                | -                                     | 0.00%                                     | -  |     | (363,177)      |
| 76       | 345 - Accessory electric equipment              | 5,434,671                           | 6.56%                                   | 317,354                                | 5,434,671                             | 10.53%                                    | 572,271                                  |     | 254,917        |
| 77       | 346 - Misc power plant equipment                | 4,352,193                           | 0.30%                                   | 13,057                                 | 4,352,193                             | 1.51%                                     | 65,718                                   |     | 52,662         |
| 78       | 347 - Asset Retirement Costs -Other             | (40,436)                            | 0.00%                                   | (5,991)                                | (40,436)                              | 0.00%                                     | (5,991)                                  |     | -              |
| 79       | Subtotal Copper                                 | 44,373,598                          |   | 1,448,272                              | 34,004,205                            |   | 3,751,538                                |     | 2,303,267      |

| (a)      | (b)  | (c)                                 | (d)                                     | (e)                                    | (f)                                   | (g)                                       | (h)                                      | (i) | (j)            |
|----------|--|-------------------------------------|---|--|---------------------------------------|---|--|-----|----------------|
| Line No. | Account Number and Description of Account  | Current Test Year Depreciable Plant | Current Test Year Depreciation Rate (%) | Current Test Year Depreciation Expense | Requested Test Year Depreciable Plant | Requested Test Year Depreciation Rate (%) | Requested Test Year Depreciation Expense |     | Adjustment (3) |
|          | Montana Power Common                       |                                     |   |  |                                       |   |  |     |                |
| 80       | 341 - Structures and improvements          | 26,685,746                          | 2.22%                                   | 589,474                                | 26,685,746                            | 2.39%                                     | 637,789                                  |     | 48,316         |
| 81       | 342 - Fuel holders, products, access       | 19,130,109                          | 2.26%                                   | 429,966                                | 19,130,109                            | 2.27%                                     | 434,253                                  |     | 4,287          |
| 82       | 343 - Prime movers                         | 42,486,458                          | 2.23%                                   | 944,305                                | 42,486,458                            | 2.27%                                     | 964,443                                  |     | 20,137         |
| 83       | 343 - Prime movers-MPS LMS Turbine-Booster | 500,000                             | 2.23%                                   | 11,145                                 | -                                     | 0.00%                                     | -  |     | (11,145)       |
| 84       | 344 - Generators                           | 1,723,417                           | 1.78%                                   | 30,669                                 | 1,723,417                             | 2.63%                                     | 45,326                                   |     | 14,657         |
| 85       | 345 - Accessory electric equipment         | 11,421,807                          | 2.20%                                   | 251,958                                | 11,421,807                            | 2.31%                                     | 263,844                                  |     | 11,886         |
| 86       | 346 - Misc power plant equipment           | 1,218,921                           | 2.06%                                   | 24,871                                 | 1,218,921                             | 2.32%                                     | 28,279                                   |     | 3,408          |
| 87       | 347 - Asset Retirement Costs -Other        | 240,402                             | 0.00%                                   | (23,159)                               | 240,402                               | 0.00%                                     | (23,159)                                 |     | -              |
| 88       | Subtotal Montana Power Common              | 103,406,859                         |   | 2,259,229                              | 102,906,859                           |   | 2,350,775                                |     | 91,546         |
|          | Montana Power Unit No. 1                   |                                     |   |  |                                       |   |  |     |                |
| 89       | 341 - Structures and improvements          | 315,347                             | 2.22%                                   | 1,753                                  | 315,347                               | 2.30%                                     | 7,253                                    |     | 5,500          |
| 90       | 343 - Prime movers                         | 83,766,366                          | 2.28%                                   | 1,766,224                              | 83,766,366                            | 2.29%                                     | 1,918,250                                |     | 152,026        |
| 91       | 344 - Generators                           | 6,208,085                           | 2.35%                                   | 145,669                                | 6,208,085                             | 2.36%                                     | 146,511                                  |     | 842            |
| 92       | 345 - Accessory electric equipment         | 3,251,893                           | 2.29%                                   | 74,616                                 | 3,251,893                             | 2.32%                                     | 75,444                                   |     | 828            |
| 93       | 346 - Misc power plant equipment           | 434,252                             | 2.22%                                   | 9,634                                  | 434,252                               | 2.41%                                     | 10,465                                   |     | 831            |
| 94       | Subtotal Montana Power Unit No. 1          | 93,975,942                          |   | 1,997,896                              | 93,975,942                            |   | 2,157,923                                |     | 160,027        |
|          | Montana Power Unit No. 2                   |                                     |   |  |                                       |   |  |     |                |
| 95       | 341 - Structures and improvements          | 257,181                             | 2.22%                                   | 1,429                                  | 257,181                               | 1.93%                                     | 4,964                                    |     | 3,534          |
| 96       | 343 - Prime movers                         | 75,317,813                          | 2.28%                                   | 1,647,530                              | 75,317,813                            | 2.27%                                     | 1,709,714                                |     | 62,185         |
| 97       | 344 - Generators                           | 6,122,691                           | 2.35%                                   | 143,665                                | 6,122,691                             | 2.35%                                     | 143,883                                  |     | 218            |
| 98       | 345 - Accessory electric equipment         | 3,113,832                           | 2.29%                                   | 71,448                                 | 3,113,832                             | 2.16%                                     | 67,259                                   |     | (4,189)        |
| 99       | 346 - Misc power plant equipment           | 454,661                             | 2.22%                                   | 10,088                                 | 454,661                               | 2.43%                                     | 11,048                                   |     | 960            |
| 100      | Subtotal Montana Power Unit No. 2          | 85,266,178                          |   | 1,874,160                              | 85,266,178                            |   | 1,936,868                                |     | 62,708         |
|          | Montana Power Unit No. 3                   |                                     |   |  |                                       |   |  |     |                |
| 101      | 341 - Structures and improvements          | 206,815                             | 2.18%                                   | 1,129                                  | 206,815                               | 0.42%                                     | 869                                      |     | (260)          |
| 102      | 343 - Prime movers                         | 68,676,159                          | 2.30%                                   | 1,580,021                              | 68,676,159                            | 2.28%                                     | 1,565,816                                |     | (14,205)       |
| 103      | 344 - Generators                           | 6,548,325                           | 2.29%                                   | 149,939                                | 6,548,325                             | 2.29%                                     | 149,957                                  |     | 18             |
| 104      | 345 - Accessory electric equipment         | 2,846,245                           | 2.28%                                   | 64,847                                 | 2,846,245                             | 2.30%                                     | 65,464                                   |     | 617            |
| 105      | 346 - Misc power plant equipment           | 365,593                             | 2.21%                                   | 8,049                                  | 365,593                               | 2.40%                                     | 8,774                                    |     | 725            |
| 106      | Subtotal Montana Power Unit No. 3          | 78,643,137                          |   | 1,803,985                              | 78,643,137                            |   | 1,790,880                                |     | (13,105)       |
|          | Montana Power Unit No. 4                   |                                     |   |  |                                       |   |  |     |                |
| 107      | 341 - Structures and improvements          | 237,486                             | 2.20%                                   | 1,306                                  | 237,486                               | 2.29%                                     | 5,438                                    |     | 4,133          |
| 108      | 343 - Prime movers                         | 75,719,583                          | 2.32%                                   | 1,676,930                              | 75,719,583                            | 2.34%                                     | 1,771,838                                |     | 94,908         |
| 109      | 344 - Generators                           | 6,283,486                           | 2.29%                                   | 143,860                                | 6,283,486                             | 2.30%                                     | 144,520                                  |     | 660            |
| 110      | 345 - Accessory electric equipment         | 2,359,388                           | 2.29%                                   | 54,137                                 | 2,359,388                             | 2.32%                                     | 54,738                                   |     | 601            |
| 111      | 346 - Misc power plant equipment           | 367,698                             | 2.23%                                   | 8,184                                  | 367,698                               | 2.28%                                     | 8,384                                    |     | 199            |
| 112      | Subtotal Montana Power Unit No. 4          | 84,967,641                          |   | 1,884,417                              | 84,967,641                            |   | 1,984,918                                |     | 100,501        |

| (a)                      | (b)  | (c)                                 | (d)                                     | (e)                                    | (f)                                   | (g)                                       | (h)                                      | (i) | (j)            |
|--------------------------|--|-------------------------------------|---|--|---------------------------------------|---|--|-----|----------------|
| Line No.                 | Account Number and Description of Account        | Current Test Year Depreciable Plant | Current Test Year Depreciation Rate (%) | Current Test Year Depreciation Expense | Requested Test Year Depreciable Plant | Requested Test Year Depreciation Rate (%) | Requested Test Year Depreciation Expense |     | Adjustment (3) |
| Newman Unit No. 6        |  |                                     |   |  |                                       |   |  |     |                |
| 113                      | 341 - Structures and improvements                | 8,198,557                           | 2.21%                                   | 134,044                                | 8,198,557                             | 2.61%                                     | 213,982                                  |     | 79,939         |
| 114                      | 342 - Fuel holders, products, access             | 14,744,455                          | 2.23%                                   | 242,787                                | 14,744,455                            | 2.61%                                     | 384,830                                  |     | 142,043        |
| 115                      | 343 - Prime movers                               | 153,738,377                         | 2.36%                                   | 2,651,486                              | 153,738,377                           | 2.60%                                     | 3,997,198                                |     | 1,345,712      |
| 116                      | 343 - Prime movers-Estimated settlement decrease | 2,000,000                           | 2.36%                                   | 35,250                                 | -                                     | 0.00%                                     | -  |     | (35,250)       |
| 117                      | 344 - Generators                                 | 17,532,080                          | 2.28%                                   | 296,027                                | 17,532,080                            | 2.60%                                     | 455,834                                  |     | 159,807        |
| 118                      | 345 - Accessory electric equipment               | 27,331,538                          | 2.28%                                   | 444,404                                | 27,331,538                            | 2.61%                                     | 713,353                                  |     | 268,949        |
| 119                      | 346 - Misc power plant equipment                 | 2,589,999                           | 2.23%                                   | 42,495                                 | 2,589,999                             | 2.61%                                     | 67,599                                   |     | 25,104         |
| 120                      | Subtotal Newman Unit No. 6                       | 226,135,006                         |   | 3,846,493                              | 224,135,006                           |   | 5,832,797                                |     | 1,986,304      |
| Renewable Solar          |  |                                     |   |  |                                       |   |  |     |                |
| 121                      | 341 - Structures and improvements                | 91,868                              | 4.65%                                   | 4,275                                  | 91,868                                | 3.05%                                     | 2,802                                    |     | (1,473)        |
| 122                      | 344 - Generators                                 | 1,187,262                           | 4.72%                                   | 56,034                                 | 1,187,262                             | 2.92%                                     | 34,668                                   |     | (21,366)       |
| 123                      | 345 - Accessory electric equipment               | 167,361                             | 4.68%                                   | 7,840                                  | 167,361                               | 3.03%                                     | 5,071                                    |     | (2,769)        |
| 124                      | Subtotal Renewable Solar                         | 1,446,491                           |   | 68,149                                 | 1,446,491                             |   | 42,541                                   |     | (25,608)       |
| Renewable Solar-Holloman |  |                                     |   |  |                                       |   |  |     |                |
| 125                      | 341 - Structures and improvements                | 1,219,596                           | 3.33%                                   | 40,613                                 | 1,219,596                             | 3.33%                                     | 40,613                                   |     | (0)            |
| 126                      | 344 - Generators                                 | 7,039,092                           | 3.33%                                   | 234,402                                | 7,039,092                             | 3.33%                                     | 234,402                                  |     | (0)            |
| 127                      | 345 - Accessory electric equipment               | 3,871,115                           | 3.33%                                   | 128,908                                | 3,871,115                             | 3.33%                                     | 128,908                                  |     | 0              |
| 128                      | 346 - Misc power plant equipment                 | 469,266                             | 3.33%                                   | 15,627                                 | 469,266                               | 3.33%                                     | 15,627                                   |     | 0              |
| 129                      | Subtotal Renewable Solar-Holloman                | 12,599,068                          |   | 419,549                                | 12,599,068                            |   | 419,549                                  |     | 0              |
| Renewable Solar-Montana  |  |                                     |   |  |                                       |   |  |     |                |
| 130                      | 341 - Structures and improvements                | 749,279                             | 3.33%                                   | 24,951                                 | 749,279                               | 3.33%                                     | 24,951                                   |     | 0              |
| 131                      | 344 - Generators                                 | 5,457,408                           | 3.33%                                   | 181,732                                | 5,457,408                             | 3.33%                                     | 181,732                                  |     | (0)            |
| 132                      | 345 - Accessory electric equipment               | 891,784                             | 3.33%                                   | 29,696                                 | 891,784                               | 3.33%                                     | 29,696                                   |     | 0              |
| 133                      | 346 - Misc power plant equipment                 | 64,376                              | 3.33%                                   | 2,144                                  | 64,376                                | 3.33%                                     | 2,144                                    |     | 0              |
| 134                      | Subtotal Renewable Solar-Montana                 | 7,162,847                           |   | 238,523                                | 7,162,847                             |   | 238,523                                  |     | 0              |
| Renewable Solar-NMSU     |  |                                     |   |  |                                       |   |  |     |                |
| 135                      | 341 - Structures and improvements                | 940,064                             | 3.33%                                   | 31,304                                 | 940,064                               | 3.33%                                     | 31,304                                   |     | (0)            |
| 136                      | 344 - Generators                                 | 3,063,943                           | 3.33%                                   | 102,029                                | 3,063,943                             | 3.33%                                     | 102,029                                  |     | 0              |
| 137                      | 345 - Accessory electric equipment               | 1,598,107                           | 3.33%                                   | 53,217                                 | 1,598,107                             | 3.33%                                     | 53,217                                   |     | (0)            |
| 138                      | Subtotal Renewable Solar-NMSU                    | 5,602,114                           |   | 186,550                                | 5,602,114                             |   | 186,550                                  |     | (0)            |
| Rio Grande Unit No. 9    |  |                                     |   |  |                                       |   |  |     |                |
| 139                      | 341 - Structures and improvements                | 22,169,624                          | 2.34%                                   | 518,201                                | 22,169,624                            | 2.35%                                     | 520,986                                  |     | 2,785          |
| 140                      | 342 - Fuel holders, products, access             | 3,896,491                           | 2.27%                                   | 88,485                                 | 3,896,491                             | 2.30%                                     | 89,619                                   |     | 1,135          |
| 141                      | 343 - Prime movers                               | 67,030,458                          | 2.33%                                   | 1,560,381                              | 67,030,458                            | 2.31%                                     | 1,548,404                                |     | (11,978)       |
| 142                      | 344 - Generators                                 | 8,420,577                           | 2.40%                                   | 201,954                                | 8,420,577                             | 2.34%                                     | 197,041                                  |     | (4,912)        |
| 143                      | 345 - Accessory electric equipment               | 5,415,129                           | 2.26%                                   | 118,890                                | 5,415,129                             | 2.23%                                     | 120,757                                  |     | 1,868          |
| 144                      | 346 - Misc power plant equipment                 | 535,515                             | 2.26%                                   | 9,795                                  | 535,515                               | 2.25%                                     | 12,049                                   |     | 2,254          |
| 145                      | Subtotal Rio Grande Unit No. 9                   | 107,467,794                         |   | 2,497,705                              | 107,467,794                           |   | 2,488,857                                |     | (8,848)        |
| 146                      | Total Other Production                           | 851,046,675                         |   | 18,524,927                             | 838,177,282                           |   | 23,181,719                               |     | 4,656,792      |

| (a)   | (b)  | (c)                                 | (d)                                     | (e)                                    | (f)                                   | (g)                                       | (h)                                      | (i) | (j)            |
|---|--|-------------------------------------|---|--|---------------------------------------|---|--|-----|----------------|
| Line No.  | Account Number and Description of Account                          | Current Test Year Depreciable Plant | Current Test Year Depreciation Rate (%) | Current Test Year Depreciation Expense | Requested Test Year Depreciable Plant | Requested Test Year Depreciation Rate (%) | Requested Test Year Depreciation Expense |     | Adjustment (3) |
| <b>Nuclear Production</b>                           |  |                                     |   |  |                                       |   |  |     |                |
| 147   | Palo Verde Unit No. 1  | 508,627,338                         | 0.00%                                   | 8,364,203                              | 508,627,338                           | 0.00% <sup>141</sup>                      | 10,297,833                               |     | 1,933,630      |
| 148   | Palo Verde Unit No. 2  | 602,619,629                         | 0.00%                                   | 7,575,533                              | 602,619,629                           | 0.00% <sup>141</sup>                      | 10,606,540                               |     | 3,031,007      |
| 149   | Palo Verde Unit No. 3  | 572,765,642                         | 0.00%                                   | 8,145,719                              | 572,765,642                           | 0.00% <sup>141</sup>                      | 10,560,972                               |     | 2,415,253      |
| 150   | Palo Verde Common Plant  | 466,017,708                         | 0.00%                                   | 10,929,122                             | 466,017,708                           | 0.00% <sup>141</sup>                      | -  |     | (10,929,122)   |
| 151   | Palo Verde Asset Retirement Obligation                             | (34,759,474)                        | 0.00%                                   | (1,595,735)                            | (34,759,474)                          | 0.00% <sup>141</sup>                      | -  |     | 1,595,735      |
| 152   | Total Nuclear Production   | 2,115,270,842                       |   | 33,418,841                             | 2,115,270,842                         |   | 31,465,345                               |     | (1,953,496)    |
| 153   | Total Production Plant   | 3,718,965,968                       |   | 70,522,818                             | 3,704,296,575                         |   | 89,795,689                               |     | 19,272,871     |
| <b>Transmission</b>                                 |  |                                     |   |  |                                       |   |  |     |                |
| <b>Transmission-Arizona Interconnection Project</b> |  |                                     |   |  |                                       |   |  |     |                |
| 154   | 350 - Land and land rights   | 6,112,481                           | 1.02%                                   | 62,323                                 | 6,112,481                             | 1.09%                                     | 66,626                                   |     | 4,303          |
| 155   | 352 - Structures and improvements                                  | 325,366                             | 1.16%                                   | 3,782                                  | 325,366                               | 1.34%                                     | 4,360                                    |     | 578            |
| 156   | 353 - Station equipment  | 26,889,039                          | 1.49%                                   | 398,088                                | 26,889,039                            | 1.71%                                     | 459,803                                  |     | 61,715         |
| 157   | 354 - Towers and fixtures  | 18,753,205                          | 1.19%                                   | 223,410                                | 18,753,205                            | 1.03%                                     | 193,158                                  |     | (30,252)       |
| 158   | 355 - Poles and fixtures   | 64,002,444                          | 1.91%                                   | 1,017,170                              | 64,002,444                            | 1.82%                                     | 1,164,844                                |     | 147,674        |
| 159   | 356 - Overhead conductors, devices                                 | 33,417,042                          | 1.61%                                   | 536,917                                | 33,417,042                            | 1.31%                                     | 437,763                                  |     | (99,154)       |
| 160   | Subtotal Transmission-Arizona Interconnection Project              | 149,499,578                         |   | 2,241,689                              | 149,499,578                           |   | 2,326,554                                |     | 84,885         |
| <b>Transmission-Other</b>                           |  |                                     |   |  |                                       |   |  |     |                |
| 161   | 350 - Land and land rights   | 13,613,417                          | 1.02%                                   | 143,457                                | 13,613,417                            | 1.09%                                     | 148,366                                  |     | 4,929          |
| 162   | 352 - Structures and improvements                                  | 31,699,440                          | 1.16%                                   | 319,851                                | 31,699,440                            | 1.34%                                     | 424,773                                  |     | 104,921        |
| 163   | 353 - Station equipment  | 204,784,829                         | 1.49%                                   | 2,963,011                              | 204,784,829                           | 1.71%                                     | 3,501,479                                |     | 538,468        |
| 164   | 354 - Towers and fixtures  | 5,603,274                           | 1.19%                                   | 66,753                                 | 5,603,274                             | 1.03%                                     | 57,714                                   |     | (9,039)        |
| 165   | 355 - Poles and fixtures   | 206,158,756                         | 1.91%                                   | 3,778,817                              | 206,158,756                           | 1.82%                                     | 3,752,089                                |     | (26,728)       |
| 166   | 356 - Overhead conductors, devices                                 | 56,449,084                          | 1.61%                                   | 894,341                                | 56,449,084                            | 1.31%                                     | 739,483                                  |     | (154,858)      |
| 167   | 359 - Roads and trails   | 3,608,720                           | 1.28%                                   | 45,977                                 | 3,608,720                             | 1.20%                                     | 43,305                                   |     | (2,673)        |
| 168   | Subtotal Transmission-Other  | 521,897,519                         |   | 8,212,208                              | 521,897,519                           |   | 8,667,228                                |     | 455,020        |
| <b>Transmission-Other-Isleta</b>                    |  |                                     |   |  |                                       |   |  |     |                |
| 169   | 350 - Land and land rights   | 11,460,178                          | 3.83%                                   | 439,275                                | 11,460,179                            | 3.76%                                     | 430,903                                  |     | (8,373)        |
| 170   | 350 - Land and land rights - Isleta Right of Way cost disallowance | 5,363,977                           | 3.83%                                   | 205,604                                | -                                     | 0.00%                                     | -  |     | (205,604)      |
| 171   | Subtotal Transmission-Other-Isleta                                 | 16,824,156                          |   | 644,880                                | 11,460,179                            |   | 430,903                                  |     | (213,977)      |
| <b>Transmission-Palo Verde Transmission</b>         |  |                                     |   |  |                                       |   |  |     |                |
| 172   | 350 - Land and land rights   | 2,763,717                           | 1.02%                                   | 28,179                                 | 2,763,717                             | 1.09%                                     | 30,125                                   |     | 1,946          |
| 173   | 352 - Structures and improvements                                  | 3,434,361                           | 1.16%                                   | 39,915                                 | 3,434,361                             | 1.34%                                     | 46,020                                   |     | 6,105          |
| 174   | 353 - Station equipment  | 21,635,511                          | 1.49%                                   | 312,032                                | 21,635,511                            | 1.71%                                     | 369,967                                  |     | 57,935         |
| 175   | 354 - Towers and fixtures  | 4,016,755                           | 1.19%                                   | 47,852                                 | 4,016,755                             | 1.03%                                     | 41,373                                   |     | (6,479)        |
| 176   | 355 - Poles and fixtures   | 2,630,006                           | 1.91%                                   | -                                      | 2,630,006                             | 1.82%                                     | 47,866                                   |     | 47,866         |
| 177   | 356 - Overhead conductors, devices                                 | 5,795,097                           | 1.61%                                   | 93,111                                 | 5,795,097                             | 1.31%                                     | 75,916                                   |     | (17,195)       |
| 178   | 359 - Roads and trails   | 204,696                             | 1.28%                                   | 6,272                                  | 204,696                               | 1.20%                                     | 2,456                                    |     | (3,816)        |
| 179   | Subtotal Transmission-Palo Verde Transmission                      | 40,480,143                          |   | 527,362                                | 40,480,143                            |   | 613,723                                  |     | 86,381         |
| 180   | Total Transmission   | 728,701,395                         |   | 11,626,138                             | 723,337,418                           |   | 12,038,408                               |     | 412,270        |

| (a)                     | (b)  | (c)                                 | (d)                                     | (e)                                    | (f)                                   | (g)                                       | (h)                                      | (i) | (j)            |
|-------------------------|--|-------------------------------------|---|--|---------------------------------------|---|--|-----|----------------|
| Line No.                | Account Number and Description of Account            | Current Test Year Depreciable Plant | Current Test Year Depreciation Rate (%) | Current Test Year Depreciation Expense | Requested Test Year Depreciable Plant | Requested Test Year Depreciation Rate (%) | Requested Test Year Depreciation Expense |     | Adjustment (3) |
| Distribution            |  |                                     |   |  |                                       |   |  |     |                |
| Distribution-New Mexico |  |                                     |   |  |                                       |   |  |     |                |
| 181                     | 360 - Land and land rights                           | 1,960,929                           | 1.32%                                   | 25,461                                 | 1,960,929                             | 1.37%                                     | 26,865                                   |     | 1,404          |
| 182                     | 361 - Structures and improvements                    | 7,598,053                           | 1.46%                                   | 114,893                                | 7,598,053                             | 1.49%                                     | 113,211                                  |     | (1,682)        |
| 183                     | 362 - Station equipment                              | 103,831,962                         | 1.43%                                   | 1,453,173                              | 103,831,962                           | 1.51%                                     | 1,567,863                                |     | 114,690        |
| 184                     | 363 - Storage battery equipment                      | 2,162,780                           | 5.00%                                   | 108,139                                | 2,162,780                             | 6.90%                                     | 149,232                                  |     | 41,093         |
| 185                     | 364 - Poles, towers and fixtures                     | 76,551,598                          | 3.11%                                   | 2,294,579                              | 76,551,598                            | 3.15%                                     | 2,411,375                                |     | 116,796        |
| 186                     | 365 - Overhead conductors, devices                   | 48,806,271                          | 2.35%                                   | 1,112,171                              | 48,806,271                            | 3.20%                                     | 1,561,801                                |     | 449,629        |
| 187                     | 366 - Underground conduit                            | 54,462,472                          | 1.33%                                   | 696,891                                | 54,462,472                            | 1.39%                                     | 757,028                                  |     | 60,137         |
| 188                     | 367 - Undergrmd conductors, devices                  | 52,480,757                          | 3.07%                                   | 1,548,194                              | 52,480,757                            | 3.07%                                     | 1,611,159                                |     | 62,965         |
| 189                     | 368 - Line transformers                              | 90,403,812                          | 2.34%                                   | 2,030,627                              | 90,403,812                            | 2.71%                                     | 2,449,943                                |     | 419,316        |
| 190                     | 369 - Services                                       | 20,975,244                          | 1.38%                                   | 282,685                                | 20,975,244                            | 1.78%                                     | 373,359                                  |     | 90,674         |
| 191                     | 370 - Meters   | 8,505,171                           | 2.62%                                   | 349,714                                | 8,505,171                             | 2.68%                                     | 227,939                                  |     | (121,776)      |
| 192                     | 370 - Smart Meters                                   | 11,987,960                          | 6.67%                                   | 294,023                                | 11,987,960                            | 6.67%                                     | 799,597                                  |     | 505,574        |
| 193                     | 370 - Smart Meters Communication Equipment           | 1,423,519                           | 20.00%                                  | 169,284                                | 1,423,519                             | 20.00%                                    | 284,704                                  |     | 115,420        |
| 194                     | 371 - Installs customer premise                      | 7,018,113                           | 3.22%                                   | 216,435                                | 7,018,113                             | 3.77%                                     | 264,583                                  |     | 48,148         |
| 195                     | 373 - Street lighting, signal system                 | 2,321,512                           | 2.06%                                   | 49,057                                 | 2,321,512                             | 2.17%                                     | 50,377                                   |     | 1,320          |
| 196                     | Subtotal Distribution-New Mexico                     | 490,490,152                         |   | 10,745,327                             | 490,490,152                           |   | 12,649,035                               |     | 1,903,708      |
| Distribution-Texas      |  |                                     |   |  |                                       |   |  |     |                |
| 197                     | 360 - Land and land rights                           | 2,469,415                           | 1.32%                                   | 31,488                                 | 2,469,415                             | 1.37%                                     | 33,831                                   |     | 2,343          |
| 198                     | 361 - Structures and improvements                    | 28,269,896                          | 1.46%                                   | 407,768                                | 28,269,896                            | 1.49%                                     | 421,221                                  |     | 13,453         |
| 199                     | 362 - Station equipment                              | 320,357,015                         | 1.43%                                   | 4,317,962                              | 320,357,015                           | 1.51%                                     | 4,837,391                                |     | 519,429        |
| 200                     | 364 - Poles, towers and fixtures                     | 169,389,423                         | 3.11%                                   | 4,946,359                              | 169,389,423                           | 3.15%                                     | 5,335,767                                |     | 389,408        |
| 201                     | 365 - Overhead conductors, devices                   | 135,756,400                         | 2.35%                                   | 2,947,933                              | 135,756,400                           | 3.20%                                     | 4,344,205                                |     | 1,396,272      |
| 202                     | 366 - Underground conduit                            | 132,950,398                         | 1.50%                                   | 1,923,152                              | 132,950,398                           | 1.39%                                     | 1,848,011                                |     | (75,142)       |
| 203                     | 367 - Undergrmd conductors, devices                  | 173,501,647                         | 3.07%                                   | 4,968,702                              | 173,501,647                           | 3.07%                                     | 5,326,501                                |     | 357,799        |
| 204                     | 368 - Line transformers                              | 269,523,729                         | 2.34%                                   | 6,047,024                              | 269,523,729                           | 2.71%                                     | 7,304,093                                |     | 1,257,069      |
| 205                     | 369 - Services                                       | 50,411,246                          | 1.38%                                   | 672,100                                | 50,411,246                            | 1.78%                                     | 897,320                                  |     | 225,221        |
| 206                     | 370 - Meters   | 27,193,683                          | 2.62%                                   | 4,250,429                              | 27,193,683                            | 2.68%                                     | 728,791                                  |     | (3,521,638)    |
| 207                     | 370 - Smart Meters                                   | 68,923,610                          | 14.29%                                  | 1,172,548                              | 68,923,610                            | 14.29%                                    | 9,849,184                                |     | 8,676,636      |
| 208                     | 370 - Smart Meters Communication Equipment           | 4,606,165                           | 20.00%                                  | 403,535                                | 4,606,165                             | 20.00%                                    | 921,233                                  |     | 517,698        |
| 209                     | 371 - Installs customer premise                      | 11,716,493                          | 3.22%                                   | 364,104                                | 11,716,493                            | 3.77%                                     | 441,712                                  |     | 77,608         |
| 210                     | 373 - Street lighting, signal system                 | 9,770,175                           | 2.06%                                   | 202,112                                | 9,770,175                             | 2.17%                                     | 212,013                                  |     | 9,901          |
| 211                     | Subtotal Distribution-Texas                          | 1,404,839,297                       |   | 32,655,216                             | 1,404,839,297                         |   | 42,501,272                               |     | 9,846,056      |
| 212                     | Total Distribution                                   | 1,895,329,449                       |   | 43,400,543                             | 1,895,329,449                         |   | 55,150,307                               |     | 11,749,764     |
| General Plant           |  |                                     |   |  |                                       |   |  |     |                |
| 213                     | 390 - Struct & Impr - Eastside Operations Center     | 52,977,044                          | 2.11%                                   | 1,115,089                              | 52,977,044                            | 2.15%                                     | 1,139,006                                |     | 23,918         |
| 214                     | 390 - Struct & Impr - Energy Management System       | 1,169,850                           | 6.67%                                   | 78,029                                 | 1,169,850                             | 6.67%                                     | 78,029                                   |     | (0)            |
| 215                     | 390 - Struct & Impr - Stanton Tower                  | 46,691,920                          | 2.30%                                   | 1,066,902                              | 46,691,920                            | 2.43%                                     | 1,134,614                                |     | 67,712         |
| 216                     | 390 - Struct & Impr - System Ops Building            | 14,604,937                          | 3.65%                                   | 533,178                                | 14,604,937                            | 3.89%                                     | 568,132                                  |     | 34,955         |
| 217                     | 390 - Structures and improvements                    | 28,907,194                          | 2.96%                                   | 799,652                                | 28,907,194                            | 3.20%                                     | 925,030                                  |     | 125,378        |
| 218                     | 391 - Office furniture, equipment                    | 10,661,952                          | 0.50%                                   | 43,232                                 | 10,661,952                            | 3.90%                                     | 415,816                                  |     | 372,584        |
| 219                     | 391.1 - OF&E-COMP EQUIP                              | 35,016,797                          | 20.00%                                  | 6,194,584                              | 35,016,797                            | 20.00%                                    | 7,003,359                                |     | 808,776        |
| 220                     | 392 - Transportation equipment - Cars - Sedans       | 557,500                             | 0.00% <sup>1A</sup>                     | 26,544                                 | 557,500                               | 3.92%                                     | 21,854                                   |     | (4,690)        |
| 221                     | 392 - Transportation equipment - Heavy duty vehicles | 34,893,200                          | 0.00% <sup>1A</sup>                     | 1,178,069                              | 34,893,200                            | 2.26%                                     | 788,586                                  |     | (389,483)      |
| 222                     | 392 - Transportation equipment - Light duty vehicles | 13,269,006                          | 0.00% <sup>1A</sup>                     | 574,976                                | 13,269,006                            | 3.56%                                     | 472,377                                  |     | (102,600)      |
| 223                     | 392 - Transportation equipment - Trailers            | 8,720,496                           | 0.00% <sup>1A</sup>                     | 271,480                                | 8,720,496                             | 2.76%                                     | 240,686                                  |     | (30,794)       |
| 224                     | 393 - Stores equipment                               | 231,409                             | 0.39%                                   | 733                                    | 231,409                               | 5.23%                                     | 12,103                                   |     | 11,369         |
| 225                     | 394 - Tools, shop, garage equipment                  | 9,385,877                           | 3.44%                                   | 303,741                                | 9,385,877                             | 3.62%                                     | 339,769                                  |     | 36,027         |
| 226                     | 395 - Laboratory equipment                           | 6,432,379                           | 6.65%                                   | 411,993                                | 6,432,379                             | 5.16%                                     | 331,911                                  |     | (80,082)       |
| 227                     | 396 - Power operated equipment                       | 6,245,762                           | 3.86%                                   | 238,719                                | 6,245,762                             | 3.73%                                     | 232,967                                  |     | (5,752)        |
| 228                     | 397 - Communication equipment                        | 40,973,777                          | 8.42%                                   | 3,100,732                              | 40,973,777                            | 6.93%                                     | 2,839,483                                |     | (261,249)      |

| (a)      | (b)   | (c)                                 | (d)                                     | (e)                                    | (f)                                   | (g)                                       | (h)                                      | (i) | (j)            |
|----------|---|-------------------------------------|---|--|---------------------------------------|---|--|-----|----------------|
| Line No. | Account Number and Description of Account           | Current Test Year Depreciable Plant | Current Test Year Depreciation Rate (%) | Current Test Year Depreciation Expense | Requested Test Year Depreciable Plant | Requested Test Year Depreciation Rate (%) | Requested Test Year Depreciation Expense |     | Adjustment (3) |
| 229      | 398 - Miscellaneous equipment                       | 8,207,450                           | 8.71%                                   | 785,930                                | 8,207,450                             | 7.35%                                     | 603,248                                  |     | (182,682)      |
| 230      | 399.1 Asset Retirement Costs-Gen                    | 87,399                              | 0.00%                                   | (49,050)                               | 87,399                                | 0.00%                                     | (49,050)                                 |     | -              |
| 231      | Subtotal General Plant                              | 319,033,949                         |   | 16,674,532                             | 319,033,949                           |   | 17,097,919                               |     | 423,387        |
| 232      | Total General Plant                                 | 319,033,949                         |   | 16,674,532                             | 319,033,949                           |   | 17,097,919                               |     | 423,387        |
| 233      | Capitalized Incentive Compensation (CIC) Adjustment | -                                   |   | -                                      | (3,442,369)                           |   | (80,149)                                 |     | (80,149)       |
| 234      | Total Depreciable Plant and Expense                 | \$ 6,662,030,761                    |   | \$ 142,224,031                         | \$ 6,638,555,021                      |   | \$ 174,002,174                           |     | \$ 31,778,143  |
|          | Amortization of Limited Term Electric Plant         |                                     |   |  |                                       |   |  |     |                |
| 235      | Computer Software                                   | 235,000,812                         | 0.00% <sup>(1)</sup>                    | 27,535,616                             | 235,000,812                           | 0.00% <sup>(2)</sup>                      | 27,535,616                               |     | -              |
| 236      | CIC Adjustment                                      | -                                   |   | -                                      | (310,394)                             |   | (21,471)                                 |     | (21,471)       |
| 237      | Total Amortization Expense                          | 235,000,812                         |   | 27,535,616                             | 234,690,418                           |   | 27,514,145                               |     | (21,471)       |
| 238      | Total Depreciation and Amortization Expense         | \$ 6,897,031,572                    |   | \$ 169,759,648                         | \$ 6,873,245,439                      |   | \$ 201,516,320                           |     | \$ 31,756,672  |

<sup>(1)</sup> Transportation is depreciated from seven to twelve years.

<sup>(2)</sup> Computer software is amortized from five to fifteen years and is not included in the 2024 Gannett Fleming Depreciation Study.

<sup>(3)</sup> Refer to Schedule A-3, Adjustment No.14.

<sup>(4)</sup> The Palo Verde Generating Station is depreciated over the remaining operational life (extended) of each unit and is not included in the 2024 Gannett Fleming Depreciation Study.



## 2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION  
ACCRUALS RELATED TO ELECTRIC PLANT  
AS OF JUNE 30, 2024

*Prepared by:*



**GANNETT FLEMING**

Excellence Delivered As Promised



EL PASO ELECTRIC COMPANY  
EL PASO, TEXAS

2024 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION  
ACCRUALS RELATED TO ELECTRIC PLANT  
AS OF JUNE 30, 2024

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC  
Camp Hill, Pennsylvania



**Gannett Fleming**  
**Valuation and Rate Consultants, LLC**

Corporate Headquarters  
207 Senate Avenue  
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January 10, 2025

El Paso Electric Company  
100 N. Stanton Street  
El Paso, TX 79901-1463

Attention Cynthia S. Prieto  
Vice President - Controller

Ladies and Gentlemen:

Pursuant to your request, we have conducted a depreciation study related to the electric plant of El Paso Electric Company as of June 30, 2024. The attached report presents a description of the methods used in the estimation of depreciation, the summary of annual depreciation accrual rates, the statistical support for the life and net salvage estimates and the detailed tabulations of annual depreciation.

We gratefully acknowledge the assistance of El Paso Electric personnel in the conduct of this study.

Respectfully submitted,

GANNETT FLEMING VALUATION  
AND RATE CONSULTANTS, LLC

A handwritten signature in black ink, appearing to read 'John J. Spanos'.

JOHN J. SPANOS  
President

A handwritten signature in black ink, appearing to read 'Melissa M. Howard'.

MELISSA M. HOWARD  
Assistant Project Manager

JJS:mle

079374.000

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**EL PASO ELECTRIC COMPANY**

**DEPRECIATION STUDY**

**EXECUTIVE SUMMARY**

Pursuant to El Paso Electric Company's ("El Paso" or "Company") request, Gannett Fleming Valuation and Rate Consultants, LLC ("Gannett Fleming") conducted a depreciation study related to the electric plant as of June 30, 2024. The purpose of this study was to determine the annual depreciation accrual rates and amounts for book and ratemaking purposes.

The depreciation rates are based on the straight line method using the average service life ("ASL") procedure and were applied on a remaining life basis. The calculations were based on attained ages and estimated average service life, and net salvage characteristics for each depreciable group of assets.

El Paso's accounting policy has not changed since the last depreciation study was prepared. However, there has been change in expected life spans of generating facilities, recording retirements of assets as well as the associated cost of removal and gross salvage. These changes have caused the proposed depreciation rates in the depreciation study to change from those currently-approved from the last depreciation study as of December 31, 2019.

Gannett Fleming recommends the calculated annual depreciation accrual rates set forth herein apply specifically to electric plant in service as of June 30, 2024 as summarized by Table 1 of the study. Supporting analysis and calculations are provided within the study.

The study results set forth an annual depreciation expense of \$130.1 million when applied to depreciable plant balances as of June 30, 2024. The results are summarized at the functional level as follows:

**SUMMARY OF ORIGINAL COST, ACCRUAL RATES AND AMOUNTS**

| <b><u>FUNCTION</u></b> | <b><u>ORIGINAL COST<br/>AS OF<br/>JUNE 30, 2024</u></b> | <b><u>PROPOSED<br/>RATE</u></b> | <b><u>PROPOSED<br/>EXPENSE</u></b> |
|------------------------|---|---------------------------------|------------------------------------|
| Steam Production Plant | \$753,263,255.59  | 4.81                            | \$36,215,465                       |
| Gas Turbine Plant      | 822,471,498.93  | 3.35                            | 27,536,949                         |
| Transmission Plant     | 723,479,961.79  | 1.68                            | 12,159,013                         |
| Distribution Plant     | 1,845,899,208.37  | 2.40                            | 44,280,088                         |
| General Plant          | <u>281,368,111.17</u>                                   | 3.53                            | <u>9,931,519</u>                   |
| <b>Total</b>           | <b><u>\$4,426,482,035.85</u></b>                        | <b>2.52</b>                     | <b><u>\$130,123,034</u></b>        |

The Company proposed rates from the Appendix of this Depreciation Study for production plant are based on no interim survivor curve which is consistent with Texas precedent.

Gannett Fleming does not agree with this method for calculating the depreciation rates for generating assets, however due to Commission precedent, which is not consistent with other jurisdictions, it has been decided that the proposed rates should be calculated using the parameters in the Appendix.

The resultant depreciation rates using the traditional method for determining depreciation rates for electric generating plant in service as of June 30, 2024 are summarized in Table 1 on pages VI-5 through VI-9 of the study. Supporting analysis and calculations are provided within the study. Additionally, depreciation rates based on the proposed depreciation rates and expense with no interim survivor curve for generation as of June 30, 2024 are provided in the Appendix.

The study results from the Appendix set forth an annual depreciation expense of \$124.2 million when applied to depreciable plant balances as of June 30, 2024. The results are summarized at the functional level as follows:

**SUMMARY OF ORIGINAL COST, ACCRUAL RATES AND AMOUNTS**

| <b><u>FUNCTION</u></b> | <b><u>ORIGINAL<br/>COST</u></b>  | <b><u>PROPOSED<br/>RATE</u></b> | <b><u>ANNUAL<br/>ACCRUAL</u></b> |
|------------------------|----------------------------------|---------------------------------|----------------------------------|
| Steam Production Plant | \$753,263,255.59                 | 4.64                            | \$34,964,852                     |
| Gas Turbine Plant      | 822,471,498.93                   | 2.78                            | 22,885,253                       |
| Transmission Plant     | 723,479,961.79                   | 1.68                            | 12,159,013                       |
| Distribution Plant     | 1,845,899,208.37                 | 2.40                            | 44,280,088                       |
| General Plant          | <u>281,368,111.17</u>            | 3.53                            | <u>9,931,519</u>                 |
| <b>Total</b>           | <b><u>\$4,426,482,035.85</u></b> |                                 | <b><u>\$124,220,725</u></b>      |

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## PART I. INTRODUCTION



**EL PASO ELECTRIC COMPANY  
DEPRECIATION STUDY**

**PART I. INTRODUCTION**

**SCOPE**

This report sets forth the results of the depreciation study for El Paso Electric Company ("El Paso"), to determine the annual depreciation accrual rates and amounts for book purposes applicable to the original cost of electric plant as of June 30, 2024. The rates and amounts are based on the straight line remaining life method of depreciation. This report also describes the concepts, methods and judgments which underlie the recommended annual depreciation accrual rates related to electric plant in service as of June 30, 2024.

The service life and net salvage estimates resulting from the study were based on informed judgment which incorporated analyses of historical plant retirement data as recorded through 2023, a review of Company practice and outlook as they relate to plant operation and retirement, and consideration of current practice in the electric industry, including knowledge of service lives and net salvage estimates used for other electric companies.

**PLAN OF REPORT**

Part I, Introduction, contains statements with respect to the plan of the report, and the basis of the study. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and the methods used in the service life and net salvage studies. Part III, Service Life Considerations, presents the factors and judgment utilized in the average service life analysis. Part IV, Net Salvage Considerations, presents the judgment utilized for the net salvage study. Part V, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation.

Part VI, Results of Study, presents summaries by depreciable group of annual depreciation accrual rates and amounts, as well as composite remaining lives. Part VII, Service Life Statistics presents the statistical analysis of service life estimates, Part VIII, Net Salvage Statistics sets forth the statistical indications of net salvage percents, and Part IX, Detailed Depreciation Calculations presents the detailed tabulations of annual depreciation.

## **BASIS OF THE STUDY**

### **Depreciation**

Depreciation, in public utility regulation, is the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among causes to be given consideration are wear and tear, deterioration, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and the requirements of public authorities.

Depreciation, as used in accounting, is a method of distributing fixed capital costs, less net salvage, over a period of time by allocating annual amounts to expense. Each annual amount of such depreciation expense is part of that year's total cost of providing electric utility service. Normally, the period of time over which the fixed capital cost is allocated to the cost of service is equal to the period of time over which an item renders service, that is, the item's service life. The most prevalent method of allocation is to distribute an equal amount of cost to each year of service life. This method is known as the straight line method of depreciation.

For most accounts, the annual depreciation was calculated by the straight line method using the average service life procedure and the remaining life basis. For

certain General Plant accounts, the annual depreciation is based on amortization accounting. Both types of calculations were based on original cost, attained ages, and estimates of service lives and net salvage.

The straight line method, average service life procedure is a commonly used depreciation calculation procedure that has been widely accepted in jurisdictions throughout North America. Gannett Fleming recommends its continued use. Amortization accounting is used for certain General Plant accounts because of the disproportionate plant accounting effort required when compared to the minimal original cost of the large number of items in these accounts. An explanation of the calculation of annual and accrued amortization is presented beginning on page V-4 of the report.

### **Service Life and Net Salvage Estimates**

The service life and net salvage estimates used in the depreciation and amortization calculations were based on informed judgment which incorporated a review of management's plans, policies and outlook, a general knowledge of the electric utility industry, and comparisons of the service life and net salvage estimates from our studies of other electric utilities. The use of survivor curves to reflect the expected dispersion of retirement provides a consistent method of estimating depreciation for electric plant. Iowa type survivor curves were used to depict the estimated survivor curves for the plant accounts not subject to amortization accounting.

The procedure for estimating service lives consisted of compiling historical data for the plant accounts or depreciable groups, analyzing this history through the use of widely accepted techniques, and forecasting the survivor characteristics for each depreciable group on the basis of interpretations of the historical data analyses and the probable future. The combination of the historical experience and the estimated future yielded estimated survivor curves from which the average service lives were derived.

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## **PART II. ESTIMATION OF SURVIVOR CURVES**

## **PART II. ESTIMATION OF SURVIVOR CURVES**

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

### **SURVIVOR CURVES**

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units or by constructing a survivor curve by plotting the number of units which survive at successive ages.

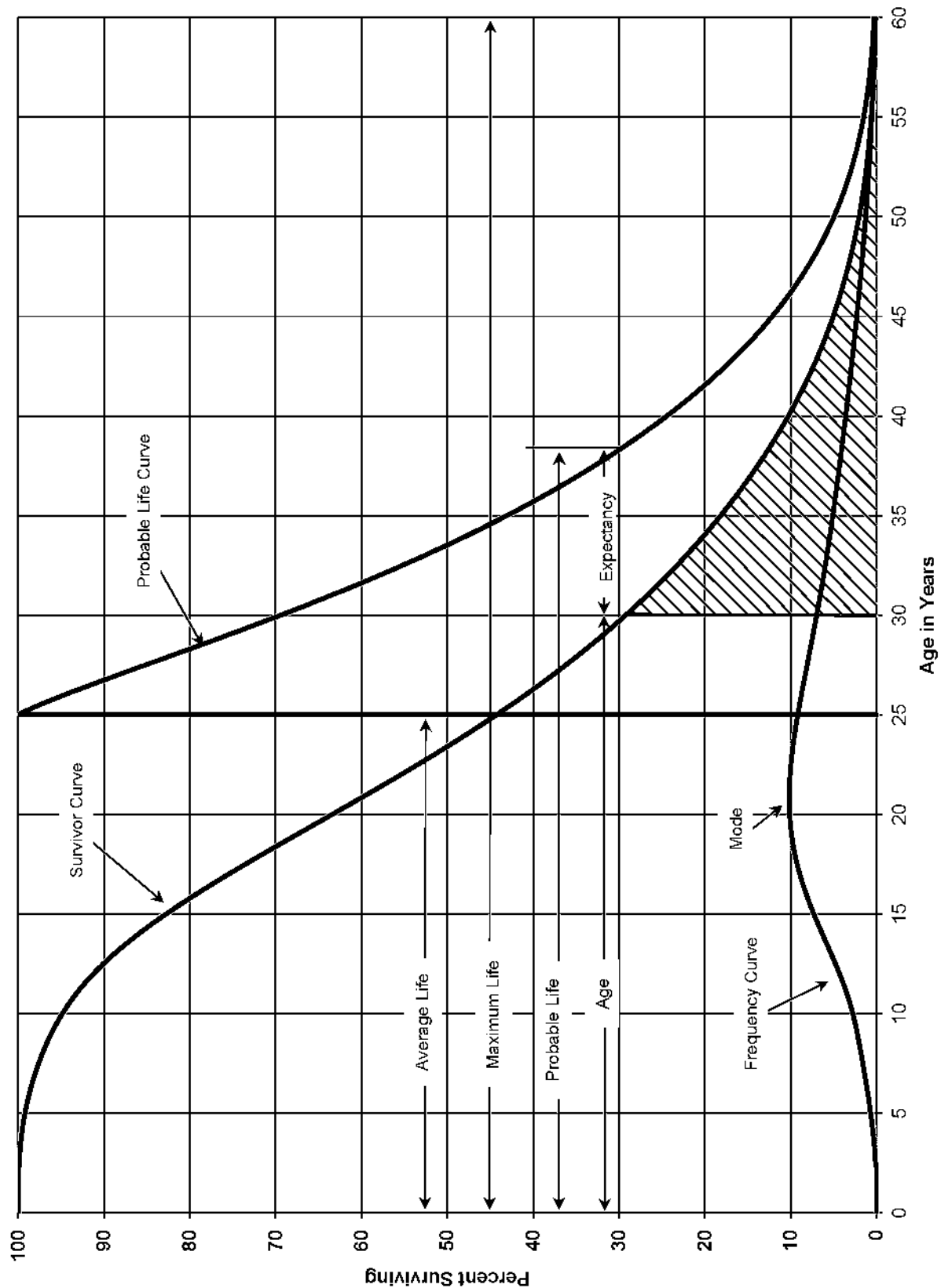
The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

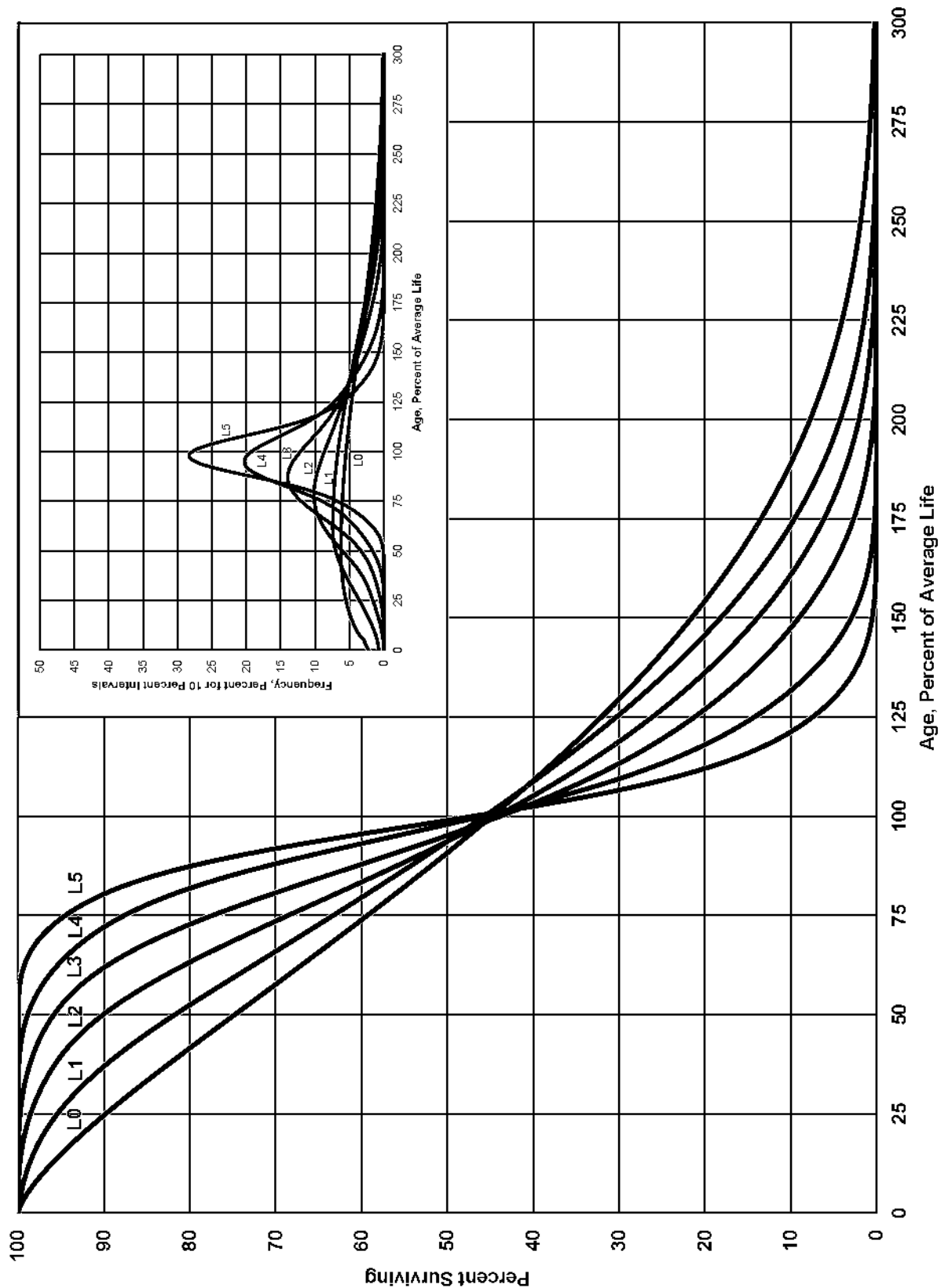
### **Iowa Type Curves**

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements (or the portion of the frequency curve with the highest level of retirements) in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family. A higher number designates a higher mode curve.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

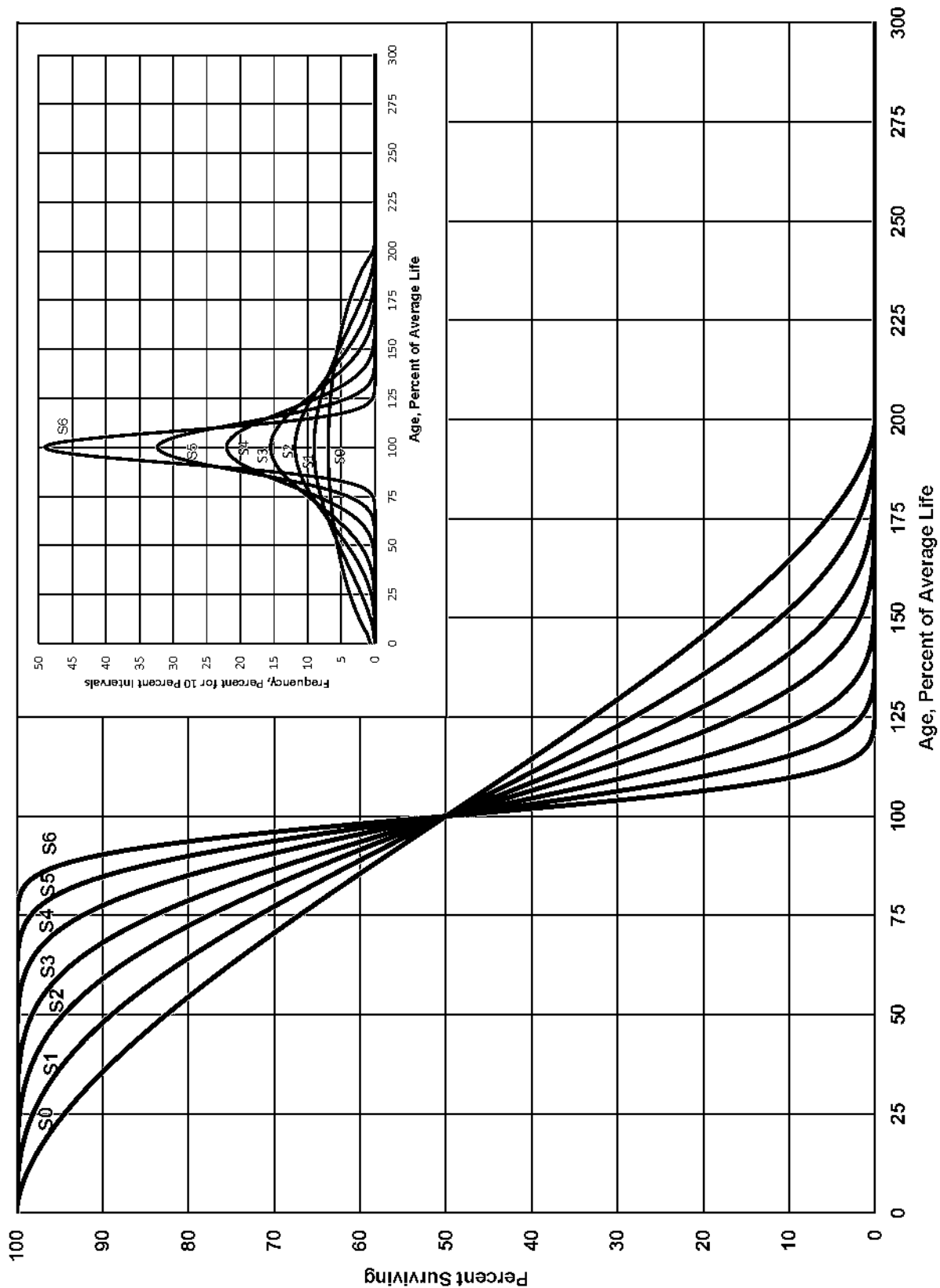


**FIGURE 1. TYPICAL SURVIVOR CURVE AND DERIVED CURVES**

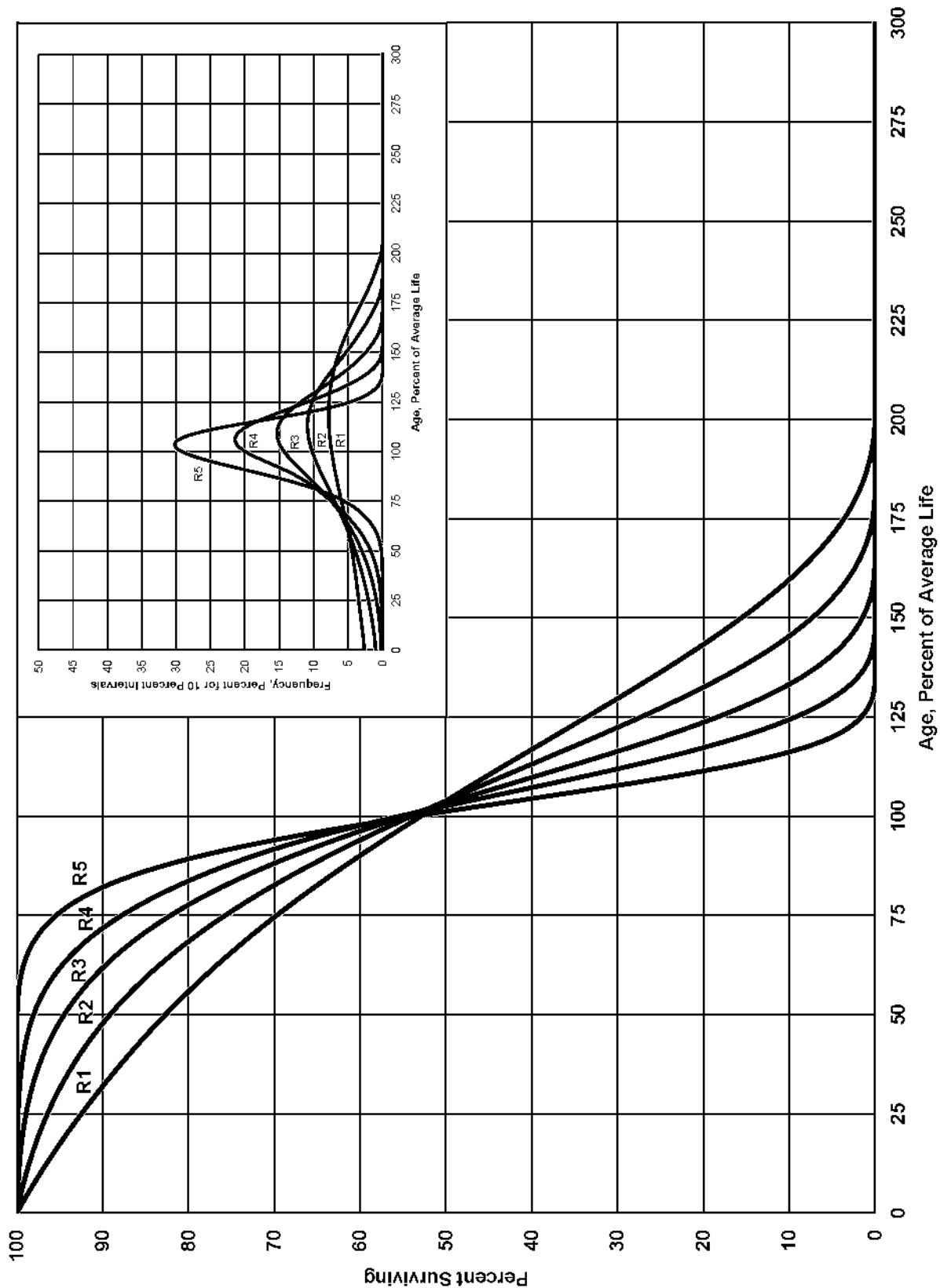


**FIGURE 2. LEFT MODAL OR "L" IOWA TYPE SURVIVOR CURVES**

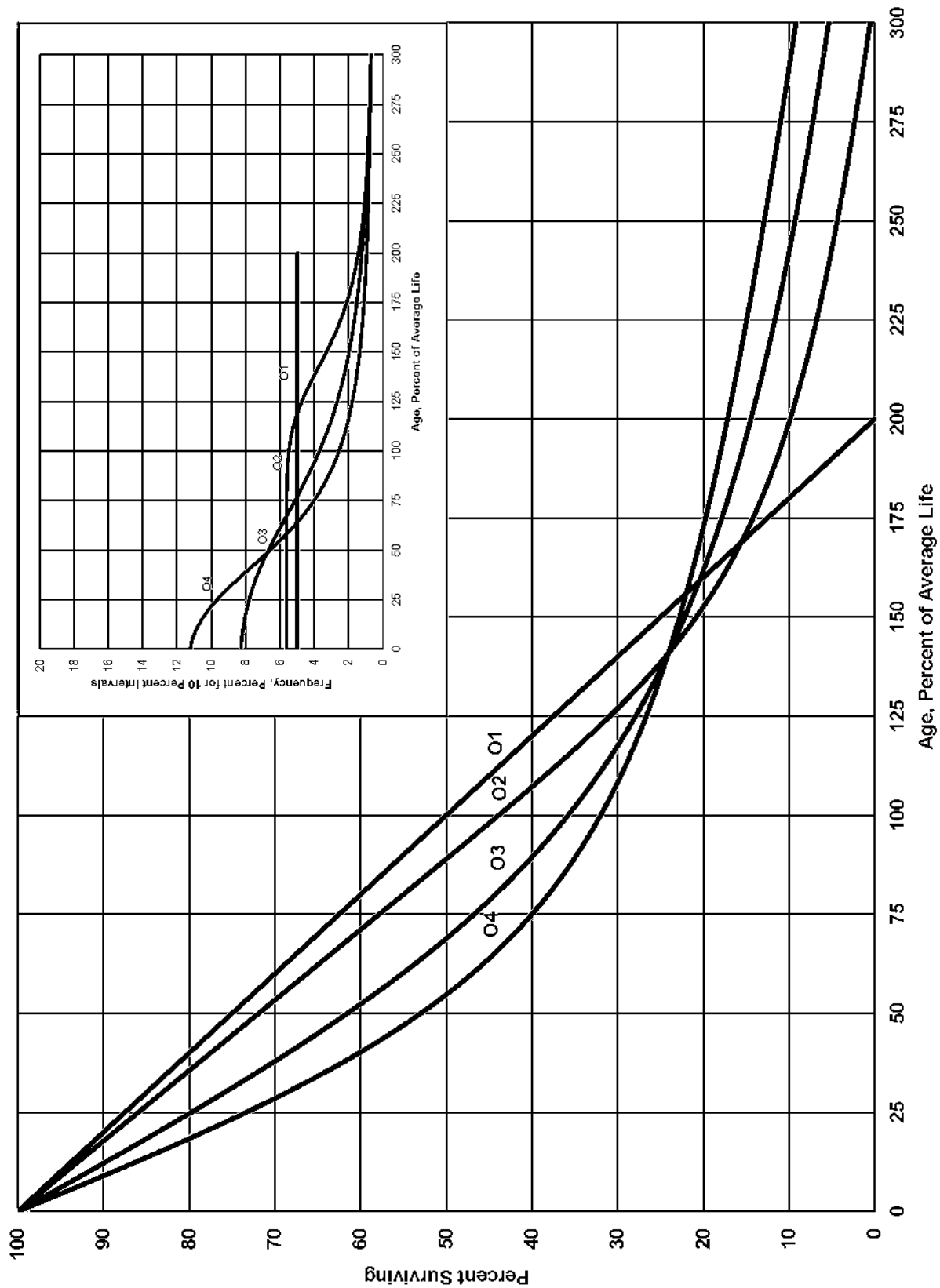




**FIGURE 3. SYMMETRICAL OR "S" IOWA TYPE SURVIVOR CURVES**



**FIGURE 4. RIGHT MODAL OR "R" IOWA TYPE SURVIVOR CURVES**



**FIGURE 5. ORIGIN MODAL OR "O" IOWA TYPE SURVIVOR CURVES**

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."<sup>1</sup> In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student, submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

### **Retirement Rate Method of Analysis**

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text and is also explained in several publications including "Statistical Analyses of Industrial Property Retirements,"<sup>2</sup> "Engineering Valuation and Depreciation,"<sup>3</sup> and "Depreciation Systems."<sup>4</sup>

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band. The band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

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<sup>1</sup>Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

<sup>2</sup>Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College, Engineering Experiment Station, Bulletin 125. 1935.

<sup>3</sup>Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

<sup>4</sup>Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

**Schedules of Annual Transactions in Plant Records**

The property group used to illustrate the retirement rate method is observed for the experience band 2014-2023 for which there were placements during the years 2009-2023. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, \$10,000 of the dollars invested in 2009 were retired in 2014. The \$10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of \$143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2014 retirements of 2009 installations and ending with the 2023 retirements of the 2018 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2014-2023  
SUMMARIZED BY AGE INTERVAL

| Experience Band 2014-2023 |  |             |             |             |             |             |             |             |              |              | Placement Band 2009-2023             |                         |
|---------------------------|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------------------------------|-------------------------|
| Year<br>Placed<br>(1)     | Retirements, Thousands of Dollars<br>During Year |             |             |             |             |             |             |             |              |              | Total During<br>Age Interval<br>(12) | Age<br>Interval<br>(13) |
|                           | 2014<br>(2)                                      | 2015<br>(3) | 2016<br>(4) | 2017<br>(5) | 2018<br>(6) | 2019<br>(7) | 2020<br>(8) | 2021<br>(9) | 2022<br>(10) | 2023<br>(11) |                                      |                         |
| 2009                      | 10   | 11          | 12          | 13          | 14          | 16          | 23          | 24          | 25           | 26           | 26                                   | 13½-14½                 |
| 2010                      | 11   | 12          | 13          | 15          | 16          | 18          | 20          | 21          | 22           | 19           | 44                                   | 12½-13½                 |
| 2011                      | 11   | 12          | 13          | 14          | 16          | 17          | 19          | 21          | 22           | 18           | 64                                   | 11½-12½                 |
| 2012                      | 8  | 9           | 10          | 11          | 11          | 13          | 14          | 15          | 16           | 17           | 83                                   | 10½-11½                 |
| 2013                      | 9  | 10          | 11          | 12          | 13          | 14          | 16          | 17          | 19           | 20           | 93                                   | 9½-10½                  |
| 2014                      | 4  | 9           | 10          | 11          | 12          | 13          | 14          | 15          | 16           | 20           | 105                                  | 8½-9½                   |
| 2015                      |  | 5           | 11          | 12          | 13          | 14          | 15          | 16          | 18           | 20           | 113                                  | 7½-8½                   |
| 2016                      |  |             | 6           | 12          | 13          | 15          | 16          | 17          | 19           | 19           | 124                                  | 6½-7½                   |
| 2017                      |  |             |             | 6           | 13          | 15          | 16          | 17          | 19           | 19           | 131                                  | 5½-6½                   |
| 2018                      |  |             |             |             | 7           | 14          | 16          | 17          | 19           | 20           | 143                                  | 4½-5½                   |
| 2019                      |  |             |             |             |             | 8           | 18          | 20          | 22           | 23           | 146                                  | 3½-4½                   |
| 2020                      |  |             |             |             |             |             | 9           | 20          | 22           | 25           | 150                                  | 2½-3½                   |
| 2021                      |  |             |             |             |             |             |             | 11          | 23           | 25           | 151                                  | 1½-2½                   |
| 2022                      |  |             |             |             |             |             |             |             | 11           | 24           | 153                                  | ½-1½                    |
| 2023                      |  |             |             |             |             |             |             |             |              | 13           | 80                                   | 0-½                     |
| Total                     | 53   | 68          | 86          | 106         | 128         | 157         | 196         | 231         | 273          | 308          | 1,606                                |                         |

SPONSOR: JOHN J. SPANOS/CYNTHIA S. PRIETO  
PREPARER: JOHN J. SPANOS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2014-2023  
SUMMARIZED BY AGE INTERVAL

Experience Band 2014-2023

Placement Band 2009-2023

| Year<br>Placed<br>(1) | Acquisitions, Transfers and Sales, Thousands of Dollars |             |             |             |             |             |                 |                   |                 |                    | Total During<br>Age Interval<br>(12) | Age<br>Interval<br>(13) |
|-----------------------|---|-------------|-------------|-------------|-------------|-------------|-----------------|-------------------|-----------------|--------------------|--------------------------------------|-------------------------|
|                       | During Year   |             |             |             |             |             |                 |                   |                 |                    |                                      |                         |
|                       | 2014<br>(2)   | 2015<br>(3) | 2016<br>(4) | 2017<br>(5) | 2018<br>(6) | 2019<br>(7) | 2020<br>(8)     | 2021<br>(9)       | 2022<br>(10)    | 2023<br>(11)       |                                      |                         |
| 2009                  | -   | -           | -           | -           | -           | -           | 60 <sup>a</sup> | -                 | -               | -                  | -                                    | 13½-14½                 |
| 2010                  | -   | -           | -           | -           | -           | -           | -               | -                 | -               | -                  | -                                    | 12½-13½                 |
| 2011                  | -   | -           | -           | -           | -           | -           | -               | -                 | -               | -                  | -                                    | 11½-12½                 |
| 2012                  | -   | -           | -           | -           | -           | -           | -               | (5) <sup>b</sup>  | -               | -                  | 60                                   | 10½-11½                 |
| 2013                  | -   | -           | -           | -           | -           | -           | -               | 6 <sup>a</sup>    | -               | -                  | -                                    | 9½-10½                  |
| 2014                  | -   | -           | -           | -           | -           | -           | -               | -                 | -               | -                  | (5)                                  | 8½-9½                   |
| 2015                  |   | -           | -           | -           | -           | -           | -               | -                 | -               | -                  | 6                                    | 7½-8½                   |
| 2016                  |   |             | -           | -           | -           | -           | -               | -                 | -               | -                  | -                                    | 6½-7½                   |
| 2017                  |   |             |             | -           | -           | -           | -               | (12) <sup>b</sup> | -               | -                  | -                                    | 5½-6½                   |
| 2018                  |   |             |             |             | -           | -           | -               | -                 | 22 <sup>a</sup> | -                  | -                                    | 4½-5½                   |
| 2019                  |   |             |             |             |             | -           | -               | (19) <sup>b</sup> | -               | -                  | 10                                   | 3½-4½                   |
| 2020                  |   |             |             |             |             |             | -               | -                 | -               | -                  | -                                    | 2½-3½                   |
| 2021                  |   |             |             |             |             |             |                 | -                 | -               | (102) <sup>c</sup> | (121)                                | 1½-2½                   |
| 2022                  |   |             |             |             |             |             |                 |                   | -               | -                  | -                                    | ½-1½                    |
| 2023                  |   |             |             |             |             |             |                 |                   |                 |                    | -                                    | 0-½                     |
| Total                 | -   | -           | -           | -           | -           | -           | 60              | (30)              | 22              | (102)              | (50)                                 |                         |

<sup>a</sup> Transfer Affecting Exposures at Beginning of Year

<sup>b</sup> Transfer Affecting Exposures at End of Year

<sup>c</sup> Sale with Continued Use

Parentheses Denote Credit Amount

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements, but are used in developing the exposures at the beginning of each age interval.

### **Schedule of Plant Exposed to Retirement**

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2014 through 2023 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2019 are calculated in the following manner:

|                     |                                   |             |
|---------------------|-----------------------------------|-------------|
| Exposures at age 0  | = amount of addition              | = \$750,000 |
| Exposures at age ½  | = \$750,000 - \$ 8,000            | = \$742,000 |
| Exposures at age 1½ | = \$742,000 - \$18,000            | = \$724,000 |
| Exposures at age 2½ | = \$724,000 - \$20,000 - \$19,000 | = \$685,000 |
| Exposures at age 3½ | = \$685,000 - \$22,000            | = \$663,000 |



SCHEDULE 3. PLANT EXPOSED TO RETIREMENT  
JANUARY 1 OF EACH YEAR 2014-2023  
SUMMARIZED BY AGE INTERVAL

| Experience Band 2014-2023 |   |                  |                  |                  |                  |                  |                  |                  |                    |                    | Placement Band 2009-2023                 |                 |
|---------------------------|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--|-----------------|
| Year<br>Placed            | Exposures, Thousands of Dollars               |                  |                  |                  |                  |                  |                  |                  |                    |                    | Total at<br>Beginning of<br>Age Interval | Age<br>Interval |
|                           | Annual Survivors at the Beginning of the Year |                  |                  |                  |                  |                  |                  |                  |                    |                    |  |                 |
| (1)                       | 2014<br>(2)                                   | 2015<br>(3)      | 2016<br>(4)      | 2017<br>(5)      | 2018<br>(6)      | 2019<br>(7)      | 2020<br>(8)      | 2021<br>(9)      | 2022<br>(10)       | 2023<br>(11)       | (12)                                     | (13)            |
| 2009                      | 255   | 245              | 234              | 222              | 209              | 195              | 239              | 216              | 192                | 167                | 167                                      | 13½-14½         |
| 2010                      | 279   | 268              | 256              | 243              | 228              | 212              | 194              | 174              | 153                | 131                | 323                                      | 12½-13½         |
| 2011                      | 307   | 296              | 284              | 271              | 257              | 241              | 224              | 205              | 184                | 162                | 531                                      | 11½-12½         |
| 2012                      | 338   | 330              | 321              | 311              | 300              | 289              | 276              | 262              | 242                | 226                | 823                                      | 10½-11½         |
| 2013                      | 376   | 367              | 357              | 346              | 334              | 321              | 307              | 297              | 280                | 261                | 1,097                                    | 9½-10½          |
| 2014                      | 420 <sup>a</sup>                              | 416              | 407              | 397              | 386              | 374              | 361              | 347              | 332                | 316                | 1,503                                    | 8½-9½           |
| 2015                      |   | 460 <sup>a</sup> | 455              | 444              | 432              | 419              | 405              | 390              | 374                | 356                | 1,952                                    | 7½-8½           |
| 2016                      |   |                  | 510 <sup>a</sup> | 504              | 492              | 479              | 464              | 448              | 431                | 412                | 2,463                                    | 6½-7½           |
| 2017                      |   |                  |                  | 580 <sup>a</sup> | 574              | 561              | 546              | 530              | 501                | 482                | 3,057                                    | 5½-6½           |
| 2018                      |   |                  |                  |                  | 660 <sup>a</sup> | 653              | 639              | 623              | 628                | 609                | 3,789                                    | 4½-5½           |
| 2019                      |   |                  |                  |                  |                  | 750 <sup>a</sup> | 742              | 724              | 685                | 663                | 4,332                                    | 3½-4½           |
| 2020                      |   |                  |                  |                  |                  |                  | 850 <sup>a</sup> | 841              | 821                | 799                | 4,955                                    | 2½-3½           |
| 2021                      |   |                  |                  |                  |                  |                  |                  | 960 <sup>a</sup> | 949                | 926                | 5,719                                    | 1½-2½           |
| 2022                      |   |                  |                  |                  |                  |                  |                  |                  | 1,080 <sup>a</sup> | 1,069              | 6,579                                    | ½-1½            |
| 2023                      |   |                  |                  |                  |                  |                  |                  |                  |                    | 1,220 <sup>a</sup> | 7,490                                    | 0-½             |
| Total                     | 1,975   | 2,382            | 2,824            | 3,318            | 3,872            | 4,494            | 5,247            | 6,017            | 6,852              | 7,799              | 44,780                                   |                 |

<sup>a</sup>Additions during the year

For the entire experience band 2014-2023, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

$$255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.$$

### **Original Life Table**

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

|                               |   |                           |          |
|-------------------------------|---|---------------------------|----------|
| Percent surviving at age 4½   | = | 88.15                     |          |
| Exposures at age 4½           | = | 3,789,000                 |          |
| Retirements from age 4½ to 5½ | = | 143,000                   |          |
| Retirement Ratio              | = | $143,000 \div 3,789,000$  | = 0.0377 |
| Survivor Ratio                | = | $1.000 - 0.0377$          | = 0.9623 |
| Percent surviving at age 5½   | = | $(88.15) \times (0.9623)$ | = 84.83  |

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

SCHEDULE 4. ORIGINAL LIFE TABLE  
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2014-2023

Placement Band 2009-2023

(Exposure and Retirement Amounts are in Thousands of Dollars)

| Age at<br>Beginning of<br>Interval | Exposures at<br>Beginning of<br>Age Interval | Retirements<br>During Age<br>Interval | Retirement<br>Ratio | Survivor<br>Ratio | Percent<br>Surviving at<br>Beginning of<br>Age Interval |
|------------------------------------|--|---------------------------------------|---------------------|-------------------|---|
| (1)                                | (2)  | (3)                                   | (4)                 | (5)               | (6)   |
| 0.0                                | 7,490  | 80                                    | 0.0107              | 0.9893            | 100.00  |
| 0.5                                | 6,579  | 153                                   | 0.0233              | 0.9767            | 98.93   |
| 1.5                                | 5,719  | 151                                   | 0.0264              | 0.9736            | 96.62   |
| 2.5                                | 4,955  | 150                                   | 0.0303              | 0.9697            | 94.07   |
| 3.5                                | 4,332  | 146                                   | 0.0337              | 0.9663            | 91.22   |
| 4.5                                | 3,789  | 143                                   | 0.0377              | 0.9623            | 88.15   |
| 5.5                                | 3,057  | 131                                   | 0.0429              | 0.9571            | 84.83   |
| 6.5                                | 2,463  | 124                                   | 0.0503              | 0.9497            | 81.19   |
| 7.5                                | 1,952  | 113                                   | 0.0579              | 0.9421            | 77.11   |
| 8.5                                | 1,503  | 105                                   | 0.0699              | 0.9301            | 72.65   |
| 9.5                                | 1,097  | 93                                    | 0.0848              | 0.9152            | 67.57   |
| 10.5                               | 823  | 83                                    | 0.1009              | 0.8991            | 61.84   |
| 11.5                               | 531  | 64                                    | 0.1205              | 0.8795            | 55.60   |
| 12.5                               | 323  | 44                                    | 0.1362              | 0.8638            | 48.90   |
| 13.5                               | <u>167</u>                                   | <u>26</u>                             | 0.1557              | 0.8443            | 42.24   |
|                                    |  |                                       |                     |                   | 35.66   |
| Total                              | <u>44,780</u>                                | <u>1,606</u>                          |                     |                   |   |

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.  
Column 3 from Schedule 1, Column 12, Retirements for Each Year.  
Column 4 = Column 3 Divided by Column 2.  
Column 5 = 1.0000 Minus Column 4.  
Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

### **Smoothing the Original Survivor Curve**

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE  
 ORIGINAL AND SMOOTH SURVIVOR CURVES

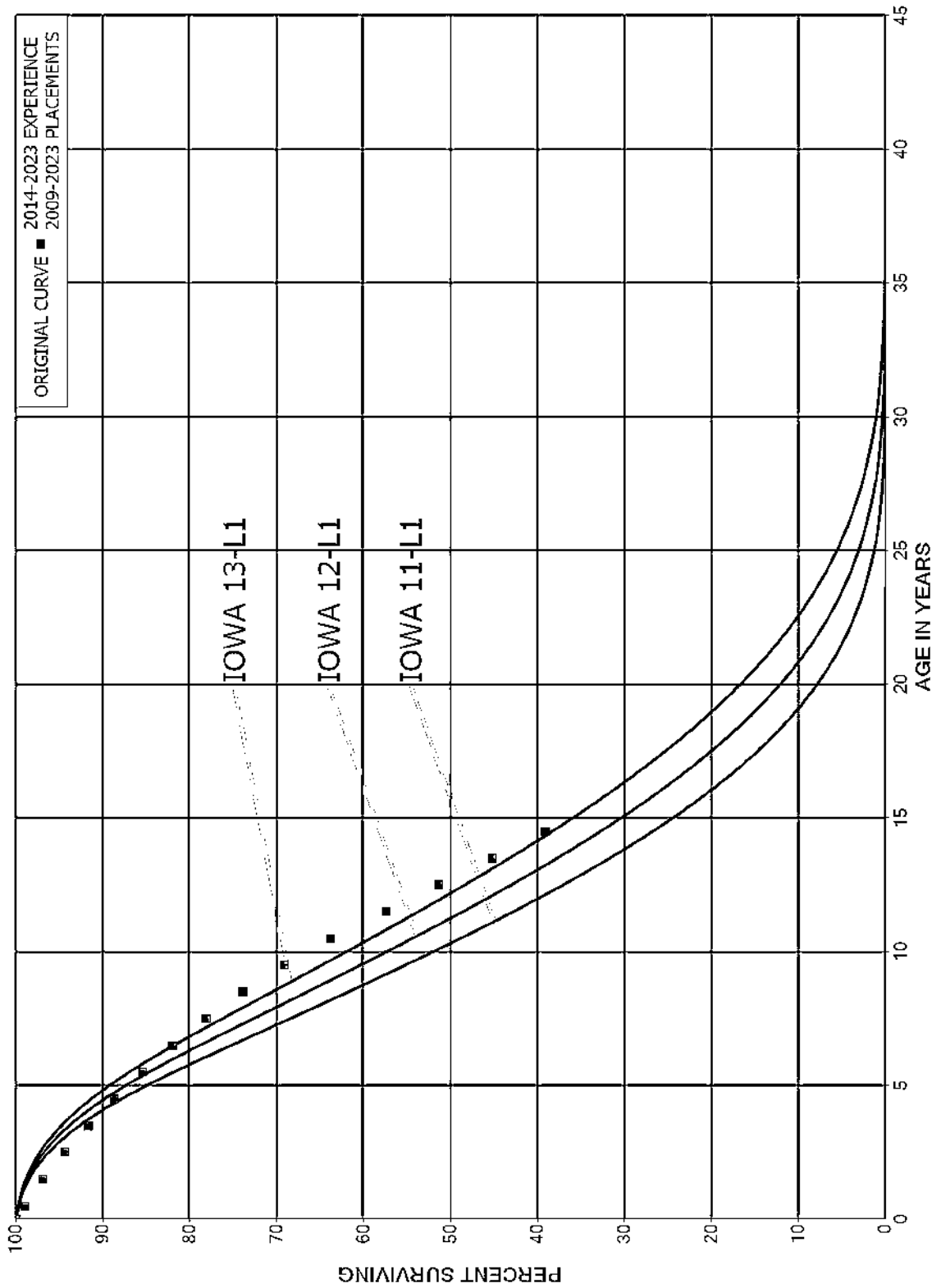


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE  
 ORIGINAL AND SMOOTH SURVIVOR CURVES

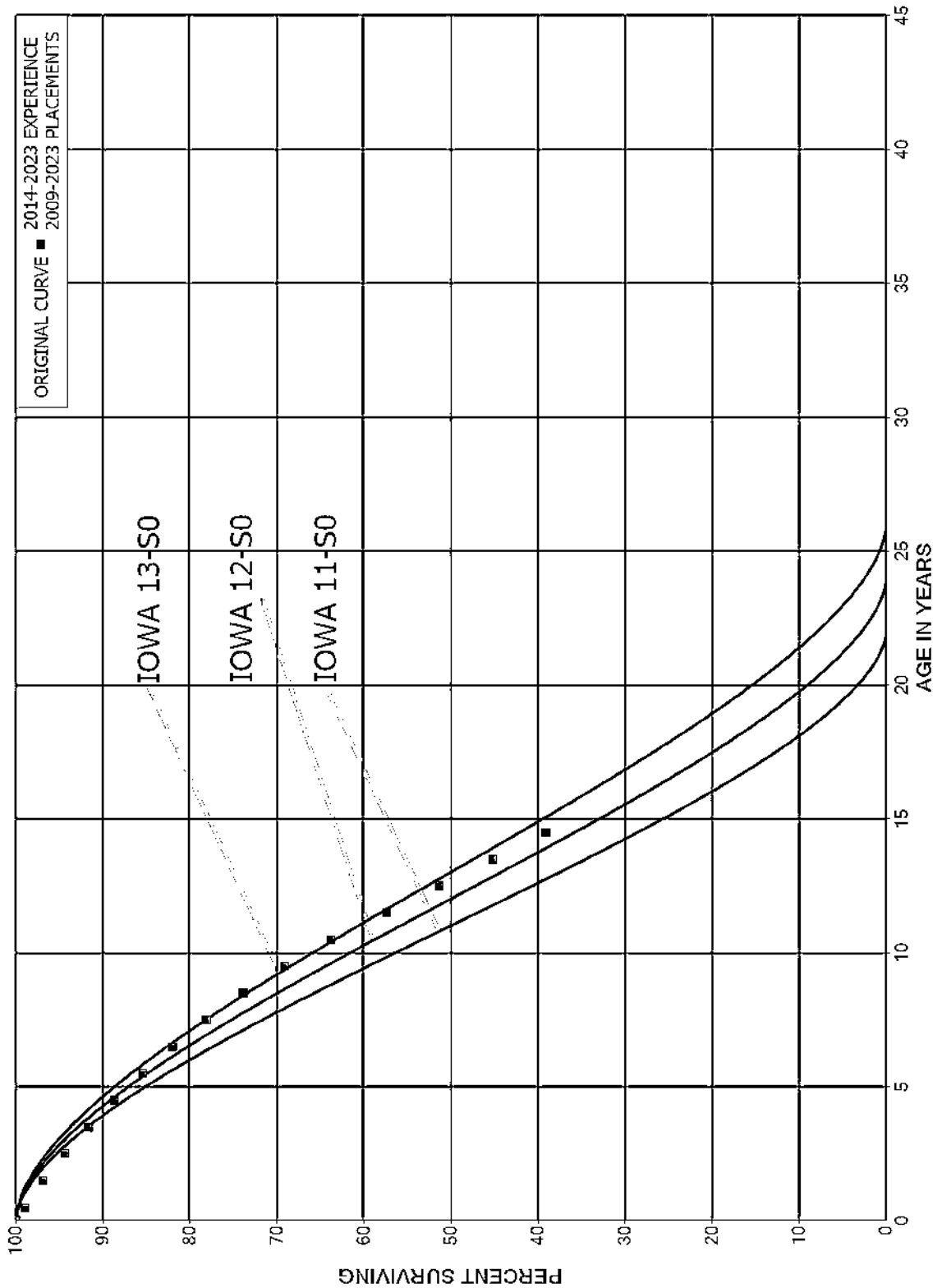


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE  
 ORIGINAL AND SMOOTH SURVIVOR CURVES

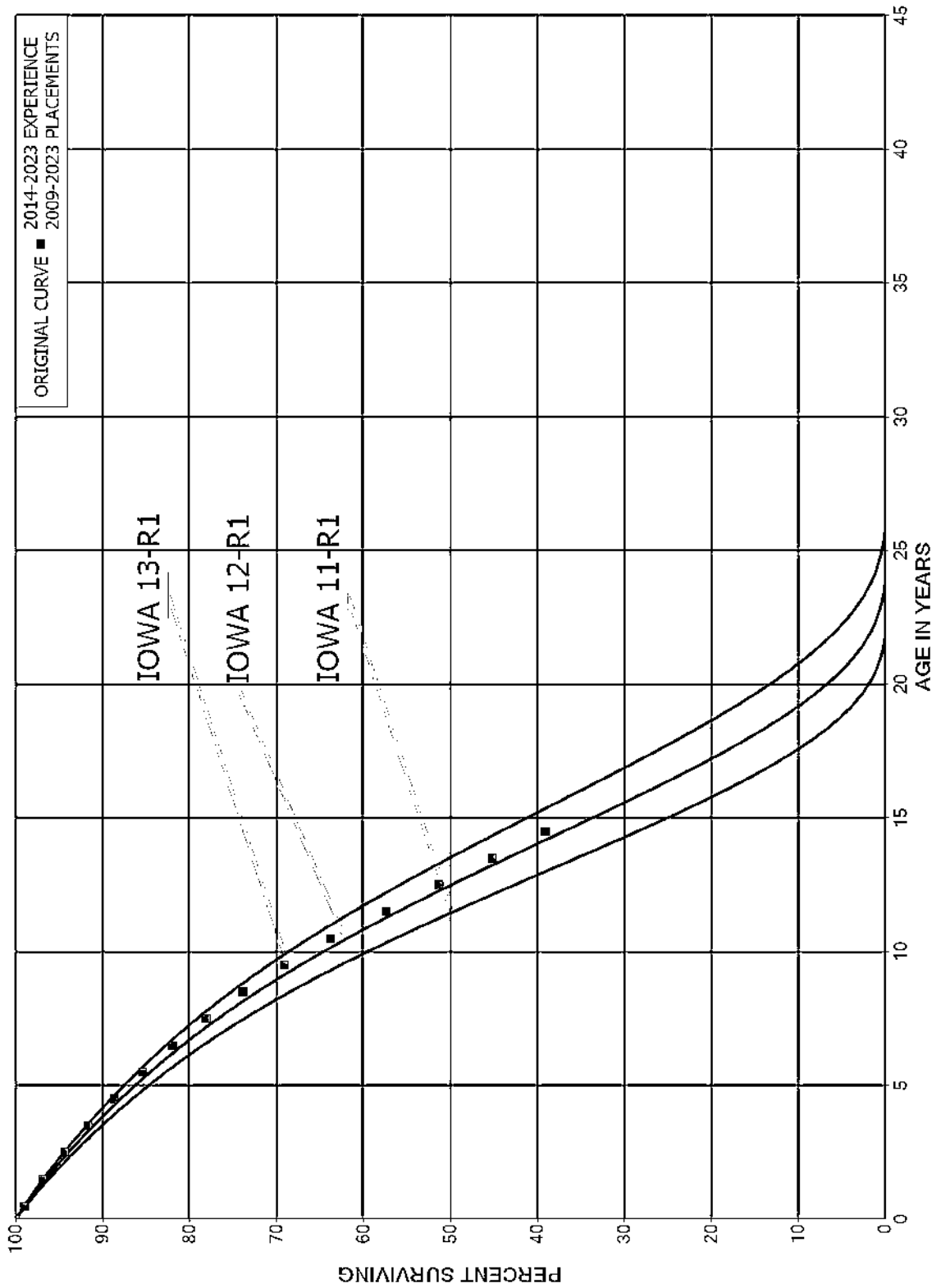
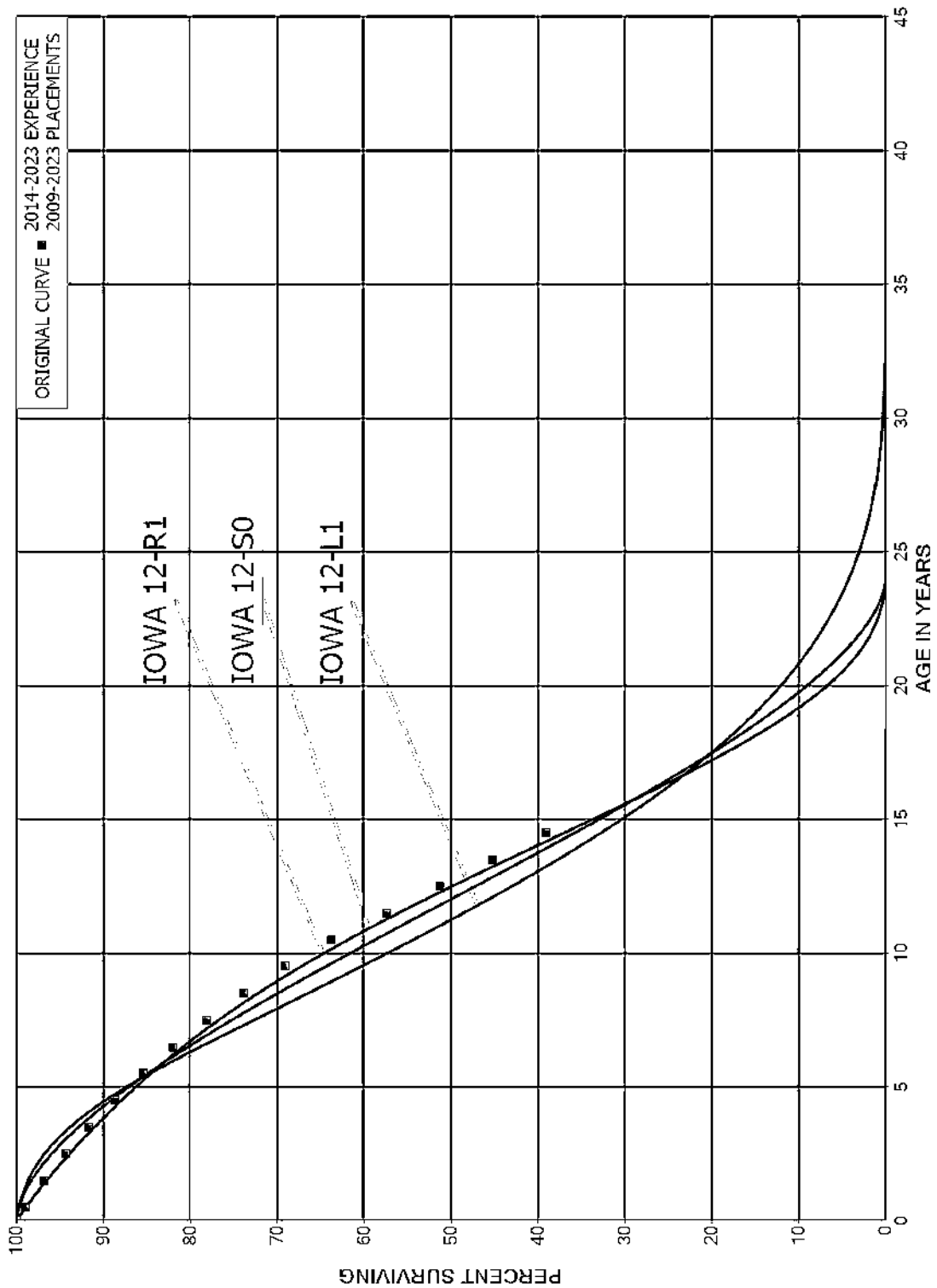


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE  
 ORIGINAL AND SMOOTH SURVIVOR CURVES





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## **PART III. SERVICE LIFE CONSIDERATIONS**

### **PART III. SERVICE LIFE CONSIDERATIONS**

#### **FIELD TRIPS**

In order to be familiar with the operation of the Company and observe representative portions of the plant, a field trip was conducted for the study. A general understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirements are obtained during field trips. This knowledge and information were incorporated in the interpretation and extrapolation of the statistical analyses.

The following is a list of the locations visited during the most recent field trips.

##### October 1, 2024

- Newman Generating Station
- Stan Roberts Substation
- Copper Substation
- Copper Power Station
- East Side Distribution Operations Center
- El Paso Electric Operations and Training Center
- Montana Power Station
- Mesa Substation
- Triumph Substation

##### February 24, 2020

- East Side Distribution Operations Center
- Montana Power Substation
- Montana Power Generating Facility
- Caliente Substation
- Pelicano Substation
- Newman Generating Station
- Rio Grande Generating Station

##### August 18, 2014

- Newman Generating Station
- Rio Grande Generating Station
- Stanton Tower

August 19, 2014

Wrangler Substation  
Wrangler Solar Facility  
Diamond Head Substation  
East Side Distribution Operations Center  
Montana Power Generating Facility  
Montana Power Substation

February 9, 2009

Vanderbilt Service Center  
Vista Substation  
Wrangler Substation  
Hawkins Service Center  
Copper Training Center  
Copper Combustion Station  
Roland Lucky Building  
Stanton Building

February 10, 2009

Rio Grande Generating Station  
Systems Operating Center  
Newman Generation Station

February 19, 2003

Newman Generating Station  
Systems Operating Center  
Rio Grande Generating Station  
501 Engineering Building  
Centre Building

February 20, 2003

Sante Fe Building  
Ascarate Substation  
Copper Combustion Station  
Copper Substation  
Copper Training Facility  
Hawkins Warehouse  
Montwood Substation  
Caliente Substation

## **SERVICE LIFE ANALYSIS**

The service life estimates were based on informed judgment which considered a number of factors. The primary factors were the statistical analyses of data; current

Company policies and outlook as determined during conversations with management; and the survivor curve estimates from previous studies of this company and other electric companies.

For many of the plant accounts for which survivor curves were estimated, the statistical analyses using the retirement rate method resulted in good to excellent indications of the survivor patterns experienced. These accounts represent 63 percent of depreciable plant. Generally, the information external to the statistics led to no significant departure from the indicated survivor curves for the accounts listed below. The statistical support for the service life estimates is presented in the section beginning on page VII-2.

| <u>Account No.</u>        | <u>Account Description</u>                     |
|---------------------------|--|
| <b>STEAM PLANT</b>        |  |
| 312.00                    | Boiler Plant Equipment                         |
| 314.00                    | Turbogenerator Units                           |
| 315.00                    | Accessory Electric Equipment                   |
| 316.00                    | Miscellaneous Power Plant Equipment            |
| <b>TRANSMISSION PLANT</b> |  |
| 352.00                    | Structures and Improvements                    |
| 353.00                    | Station Equipment                              |
| 355.00                    | Wood and Steel Poles                           |
| <b>DISTRIBUTION PLANT</b> |  |
| 361.00                    | Structures and Improvements                    |
| 362.00                    | Station Equipment                              |
| 364.00                    | Poles, Towers and Fixtures                     |
| 365.00                    | Overhead Conductors and Devices                |
| 366.00                    | Underground Conduit                            |
| 367.00                    | Underground Conductors and Devices             |
| 368.00                    | Line Transformers                              |
| 370.00                    | Meters   |
| 371.00                    | Installations on Customers' Premises           |
| <b>GENERAL PLANT</b>      |  |
| 390.00                    | Structures and Improvements – Minor Structures |
| 392.10                    | Transportation Equipment – Cars – Sedans       |
| 392.20                    | Transportation Equipment – Light Duty Vehicles |
| 392.40                    | Transportation Equipment – Heavy Duty Vehicles |

|        |                                     |
|--------|-------------------------------------|
| 392.50 | Transportation Equipment - Trailers |
| 396.00 | Power Operated Equipment            |

Account 312.00, Boiler Plant Equipment, is used to illustrate the manner in which the study was conducted for the generating plant. Aged plant accounting data have been compiled for the years 1993 through 2023. These data have been coded in the course of the Company's normal record keeping according to account or property group, type of transaction, year in which the transaction took place, and year in which the electric plant was placed in service. The retirements, other plant transactions, and plant additions were analyzed by the retirement rate method.

The survivor curve estimate is based on the statistical indications for the period 1993 through 2023. The Iowa 65-R4 is a reasonable fit of the original interim survivor curve. The 65-year service life for interim retirements is reasonable for assets in this account. The 65-year life is shorter than the 70-year life previously used by the Company.

Account 364.00, Poles, Towers and Fixtures, is used to illustrate the manner in which the study was conducted for the mass accounts. Aged retirement and other plant accounting data were compiled through the year 2023. These data were coded in the course of the Company's normal recordkeeping according to plant account or property group, type of transaction, year in which the transaction took place, and year in which the electric plant was placed in service. The data were analyzed by the retirement rate method of life analysis. The survivor curve chart for the account is presented on page VII-74 and the life table for the experience band plotted on the chart follows it.

The historical service life indication for Account 364.00, Poles, Towers and Fixtures is the 45-S2.5 based on the experience band, 1993-2023. The prior survivor curve estimate for Account 364.00, Poles, Towers and Fixtures was also the 45-R3. Typical service lives for poles of other electric companies range from 40 to 55 years. The Iowa 45-S2.5 survivor curve reflects the outlook of management, is within the range of service life estimates used by other electric companies and is a reasonable interpretation of the significant portion of the stub survivor curves through age 72.

For Account 365.00, Overhead Conductors and Devices, the estimate of survivor characteristics is based on the 1993-2023 experience band. Most retirements have been due to inadequacy or voltage conversions. Typical service lives for overhead conductors range from 40 to 55 years. The Iowa 48-R2.5 survivor curve is within the range of other estimates, is a reasonable interpretation of the significant portions of the survivor curves through age 76 and reflects the outlook of management.

### **Life Span Estimates**

The life span technique was used for the Company's Generation accounts. The life span procedure is appropriate for these accounts since all of the assets within the plant will be retired concurrently. Probable retirement dates were estimated for each power plant. Life spans for each Generating Station were estimated based on discussions with management regarding future outlook, age and condition of the plant and life spans typically experienced and estimated for similar plants. The life span and probable retirement dates used for each generating unit are as follows:

| <u>Depreciable Group</u>     | <u>Major<br/>Year in<br/>Service</u> | <u>Probable<br/>Retirement<br/>Year</u> | <u>Life Span</u> |
|------------------------------|--------------------------------------|---|------------------|
| Steam Production Plant       |                                      |   |                  |
| Rio Grande #6                | 1957                                 | 2025                                    | 68               |
| Rio Grande #7                | 1958                                 | 2026                                    | 68               |
| Rio Grande #8                | 1973                                 | 2033                                    | 60               |
| Newman #1                    | 1959                                 | 2026                                    | 67               |
| Newman #2                    | 1962                                 | 2027                                    | 65               |
| Newman #3                    | 1966                                 | 2034                                    | 68               |
| Newman #4                    | 1975                                 | 2031                                    | 56               |
| Newman #5                    | 2009                                 | 2061                                    | 52               |
| Newman Zero Liquid Discharge | 2011                                 | 2061                                    | 50               |
| Other Production Plant       |                                      |   |                  |
| Copper                       | 1980                                 | 2030                                    | 50               |
| Rio Grande #9                | 2013                                 | 2058                                    | 45               |
| Montana Power #1             | 2015                                 | 2060                                    | 45               |
| Montana Power #2             | 2015                                 | 2060                                    | 45               |
| Montana Power #3             | 2016                                 | 2061                                    | 45               |
| Montana Power #4             | 2016                                 | 2061                                    | 45               |
| Newman #6                    | 2023                                 | 2063                                    | 40               |

Power plants typically are retired when there are other units that can generate electricity at a lower cost. Typical life spans for base load, steam power plants have been 50 to 65 years in the past. For example, Units 6, 7 and 8 at Rio Grande were completed in 1957, 1958 and 1973, respectively. The estimated probable retirement dates for Rio Grande are 2025, 2026 and 2033. Thus, the life spans estimated for the Rio Grande steam units are 68 years for Unit 6, 68 years for Unit 7 and 60 years for Unit 8, which are within or slightly longer than the typical range. The estimated retirement dates should not be interpreted as commitments to retire these plants on these dates, but rather, as reasonable estimates subject to modification in the future as circumstances dictate. However, environmental regulations will impact decisions for closures which will lead to shorter life spans for facilities built in recent years.

For all Production accounts, an interim survivor curve was estimated for each account, since interim retirements, i.e., retirements prior to the final retirement, are experienced in such accounts.

Similar studies were performed for the remaining plant accounts. Each of the judgments represented a consideration of statistical analyses of aged plant activity, management's outlook for the future, and the typical range of lives used by other electric companies.

The selected amortization periods for other General Plant accounts are described in the section "Calculated Annual and Accrued Amortization."



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## PART IV. NET SALVAGE CONSIDERATIONS

## **PART IV. NET SALVAGE CONSIDERATIONS**

### **SALVAGE ANALYSIS**

The estimates of net salvage by account were based in part on historical data compiled for the years 1993 through 2023. Cost of removal and gross salvage were expressed as percents of the original cost of plant retired, both on annual and three-year moving average bases. The most recent five-year average also was calculated for consideration. The net salvage estimates by account are expressed as a percent of the original cost of plant retired.

#### **Net Salvage Considerations**

The estimates of future net salvage are expressed as percentages of surviving plant in service, i.e., all future retirements. In cases in which removal costs are expected to exceed salvage receipts, a negative net salvage percentage is estimated. The net salvage estimates were based on judgment which incorporated analyses of historical cost of removal and gross salvage data, expectations with respect to future removal requirements and markets for retired equipment and materials.

The analyses of historical cost of removal and gross salvage data are presented in the section titled "Net Salvage Statistics" for the plant accounts for which the net salvage estimate relied partially on those analyses.

Statistical analyses of historical data for the period 1993 through 2023 contributed significantly toward the net salvage estimates for 14 plant accounts, representing 49 percent of the depreciable plant, as follows:

#### **STEAM PRODUCTION PLANT**

|        |                                     |
|--------|-------------------------------------|
| 312.00 | Boiler Plant Equipment              |
| 314.00 | Turbogenerator Units                |
| 315.00 | Accessory Electric Equipment        |
| 316.00 | Miscellaneous Power Plant Equipment |

TRANSMISSION PLANT

|        |                                 |
|--------|---------------------------------|
| 353.00 | Station Equipment               |
| 355.00 | Wood and Steel Poles            |
| 356.00 | Overhead Conductors and Devices |

DISTRIBUTION PLANT

|        |                                      |
|--------|--------------------------------------|
| 365.00 | Overhead Conductors and Devices      |
| 367.00 | Underground Conductors and Devices   |
| 368.00 | Line Transformers                    |
| 370.00 | Meters                               |
| 371.00 | Installations on Customers' Premises |
| 373.00 | Street Lighting and Signal Systems   |

GENERAL PLANT

|        |                          |
|--------|--------------------------|
| 396.00 | Power Operated Equipment |
|--------|--------------------------|

Account 367.00, Underground Conductors and Devices, will be used to illustrate the manner in which the study was conducted for most mass plant accounts. Net salvage data were compiled for the years 1993 through 2023. These data include the retirements, cost of removal and gross salvage.

Discussions with management indicated that retired underground conductors are either reused or sold for scrap. The previous estimate of net salvage for underground conductors was negative 20 percent. The range of typical net salvage estimates used by other electric companies for underground conductors is negative 10 percent to negative 30 percent.

The net salvage estimate for this account is negative 30 percent and is based on the current practices in place for recording cost of removal and gross salvage. Cost of removal as a percent of the original cost retired averaged around 35 percent through the 1990s, then went to 0 percent starting in 2002 when practices changed. In 2013, a new practice for recording cost of removal was started and will continue into the future. Gross salvage was generally between 5 and 30 percent during the 1990s, then also went to 0 percent in 2002. Then new practices were implemented in 2013 which will

continue into the foreseeable future, therefore, the most recent period is the best indicator of the future. The overall net salvage percent is negative 38 percent. The most recent five year average for net salvage indicates negative 76 percent. Given the overall statistical indications, most recent five-year average and the estimates of others, a negative 30 percent net salvage was utilized.

The overall net salvage estimates for the Company's production facilities, for which the life span method is used, are based on estimates of both final net salvage and interim net salvage. Final net salvage is the net salvage experienced at the end of a production plant's life span. Interim net salvage is the net salvage experienced for interim retirements that occur prior to the final retirement of the plant. The final net salvage estimates in the study were based on decommissioning analyses incorporating a \$/KW estimate that was consistent with similar facilities determined by a variety of engineering specialists. The interim net salvage estimates were based in part on analysis of historical interim retirement and net salvage data. Based on informed judgment that incorporated these interim net salvage analyses for each plant account, an interim net salvage estimate of negative 5 percent was used for all steam plant accounts, and a negative 5 percent estimate was used for other production plant accounts.

The interim survivor curve estimates for each account and production facility were used to calculate the percentage of plant expected to be retired as interim retirements and final retirements. These are shown on Table 2 in the Net Salvage Statistics section on page VIII-2. These percentages were used to determine the weighted net salvage estimate for each account and production facility based on the interim and final net salvage estimates. These calculations, as well as the estimated