

The construction of RATE:Link yield curves relies on bond data collected as of the measurement date.

Information regarding quoted bond prices, yields and other bond related data is from Bloomberg Finance L.P.

Published Demographic Tables

Certain demographic tables described above are standard published tables or are based on standard published tables from models developed by organizations with the requisite expertise

AgeDist

AgeDist is a spreadsheet tool that applies relative cost factors by age to average per capita costs (pre and post 65) and census weights to produce age-graded plan costs for pre- and post-65 populations. The average per capita costs and census weights are provided as inputs to the tool which is then combined with a morbidity curve to produce a set of weighted average age-related costs that equal the average. The age-graded costs are used in the actuarial valuation.

The morbidity curve was developed from a broad set of claims data aggregated by age and blended and may not reflect your specific morbidity. The model does not evaluate the average per capita costs or census weights for reasonableness or consistency.

HealthMAPS

HealthMAPS includes rating manuals and software for medical, dental, Medicare Supplement, prescription drugs, state mandated benefits, specific stop loss and aggregate stop loss. The rating manuals and software enable the user to produce premium rates by type of coverage for specific benefit configurations. **HealthMAPS** is most commonly used as a tool for estimating the cost of medical and dental benefits or for estimating the effect of a change in plan provisions for use in other models and projections, most notably the Pricing and Underwriting Tool (PUT). **HealthMAPS** relies on underlying claims continuance tables developed from historic IBM MarketScan database data. This data includes national claims averages rather than client-specific information.

Pricing and Underwriting Tool (PUT)

The **Pricing and Underwriting Tool (PUT)** develops projected premium equivalent rates, employee contributions, and COBRA rates for self-insured employer health plans (medical, prescription drugs, dental, and vision). The tool develops rates by plan or in aggregate leveraging historic claims, enrollment, and plan design and administrative fee data for an employer. The model allows flexibility to incorporate plan design changes, seasonality, and multiple methods of estimating incurred claims amounts from paid claims data.

The models used for this analysis are designed specifically for these purposes and we know of no material limitations that would prevent the model from being suitable for these intended purposes.

We are not aware of any material inconsistencies among assumptions used in this work. The models themselves do not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence. The calculations and presentation of results relies on the assumptions used and the reasonability of the assumptions selected. The output of the models used in this analysis is considered reasonable based on the aggregation of assumptions used. However, a different set of results could also be considered reasonable based on a range of possible values used for each assumption.

The individuals signing or delivering this report have relied on other WTW employees and actuaries who develop, test and maintain each of the proprietary models used for this analysis and have also performed a limited review of assumptions and results to ensure that the models have been set up appropriately and coded correctly. We have not relied on any external experts to develop, review, or validate the models used in this analysis.



Appendix B : Summary of principal other postretirement benefit plan provisions

Substantive Plan Provisions

Covered employees	All employees hired prior to January 1, 2023.
Participation date	Date of becoming a covered employee.

Definitions

Eligibility service	Years and months of service as a covered participant.
Spouse	A spouse who was married to the participant both on the participant's retirement date and on the measurement date.
Surviving spouse	A spouse who was married to the participant both on the participant's retirement date and on the date of his or her death.
Dependent	A child or other legal dependent of the retiree, who was such before attaining the age of 18. Eligible dependents shall remain eligible dependents until they reach age 26.

Medical Benefits

Eligibility	Age 55 with 5 years of service, or disabled with at least age 41 and 65 years of age and service combined.
Dependent eligibility	Spouse, and children under age 26.
Survivor eligibility	Eligibility continues beyond death of retiree as long as Surviving Spouse remains unmarried.
Retiree contributions	The tables below shows monthly retiree contributions for 2023:

Pre-65 monthly retiree contributions for 2023

	\$1,000 Deductible Plan	\$2,250 Deductible Plan
Retiree Only	\$339.88	\$293.63
Retiree + Spouse	\$703.56	\$607.84
Retiree + Child(ren)	\$528.14	\$456.28
Retire + Family	\$900.42	\$778.01

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Postretirement Benefit Programs for Employees of El Paso Electric Company

Post-65 monthly retiree contributions for 2023

	1,000 Deductible Plan
Individual	\$ 31.20
Individual + One	\$ 62.40
Individual + Two	\$ 93.60
Individual + Three	\$ 124.79

Under age 65 benefits

See Pre-65 Plan Provisions table section of this appendix.

Age 65 and older benefits

Medical and Pharmacy Benefits: Fully-insured Humana Medicare Advantage with Prescription Drug (MAPD) Plan. The 2023 monthly premium rate is \$63.67 and is guaranteed to remain flat in 2024.

Life Insurance Benefits

Eligibility

Age 55 with 5 years of service, or disabled with at least age 41 and 65 years of age and service combined.

Benefits

Retirements prior to 1/1/2006:

One times salary at retirement with coverage reduction according to age as follows:

Age 65 but less than age 70: 65%

Age 70 but less than age 75: 50%

Age 75 or older: 30%

Retirements 1/1/2006 and after: \$10,000

Future Plan Changes

No future plan changes were recognized in determining postretirement welfare cost.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.



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Postretirement Medical Plan Provisions as of January 1, 2023 (Retirees – Pre Age 65)

Carrier Benefit Plan	Pre-65 Retiree BCBSTX – Medical			
	\$1,000 Deductible		\$2,250 Deductible	
	In-Network	Non-Network (1)	In-Network	Non-Network (1)
Lifetime Maximum	N/A		N/A	
Coinsurance	80%	60%	80%	60%
Individual Calendar Year Deductible (Individual / Family) (2)	\$1,000 / \$3,000	\$3,000 / \$9,000	\$2,250 / \$6,750	\$6,750 / \$20,250
Out of Pocket Maximum (Individual / Family) (2)	\$4,500 / \$9,000	\$13,500 / \$27,000	\$6,850 / \$13,700	\$20,550 / \$41,100
Hospital Inpatient	80%, no ded	60% after \$500 per admission ded	80%, no ded	60% after \$500 per admission ded
Emergency Room Facility (3) Accidental Injury & Emergency Care	100% after \$225 Copay		100% after \$300 Copay	
Emergency Room Physician Charges Accidental Injury & Emergency Care	80% after ded		80% after ded	
Emergency Room Facility (3) Non-Emergency Care	80% after \$375 Copay	60% after \$375 Copay	80% after \$450 Copay	60% after \$450 Copay
Emergency Room Physician Charges Non-Emergency Care	80% after ded	60% after ded	80% after ded	60% after ded
Urgent Care Center visit, including lab services (does not include X-Rays, surgical services and Certain Diagnostic Procedures)	\$50 copay	70% after ded	\$75 copay	70% after ded
X-Rays, Surgical Services and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies	80% after ded	60% after ded	80% after ded	60% after ded
Preventative Services	100% (\$0 copay)	70% after ded	100% (\$0 copay)	70% after ded
Physician Office Visit Copay including lab services (excludes X-rays, Surgery and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies) (4)	\$25 PCP / \$40 Spec	70% after ded	\$30 PCP / \$50 Spec	70% after ded
X-Rays, Surgical Services and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies	80% after ded	60% after ded	80% after ded	60% after ded
Outpatient Lab	100% (\$0 copay)	70% after ded	100% (\$0 copay)	70% after ded

Postretirement Benefit Programs for Employees of El Paso Electric Company

Carrier	Pre-65 Retiree BCBSTX – Medical			
	\$1,000 Deductible		\$2,250 Deductible	
Benefit Plan	In-Network	Non-Network (1)	In-Network	Non-Network (1)
(1) All out-of-network benefits listed are based on the carrier's allowable charges. Charges exceeding this amount will be the member's responsibility.				
(2) Out of Network Deductible and Out of Pocket Maximum will NOT apply toward Network Deductible & Out of Pocket Maximum				
(3) Copay waived if admitted to a network hospital				
(4) X-Rays, Surgical Services and Advanced Imaging PET, MRI, CAT, SPECT subject to deductible and coinsurance				
Carrier	Pre-65 Retiree Express Scripts – Pharmacy			
	In-Network	Non-Network	In-Network	Non-Network
Prescription Benefit – up to 30-day supply (1)	\$20 / \$50 / \$70	N/A	\$25 / \$55 / \$75	N/A
Mail Order Prescriptions – up to 90-day supply (1)	\$45 / \$120 / \$170	N/A	\$50 / \$125 / \$175	N/A
Specialty Medications – up to 30-day supply (1)	\$65 / \$90 / \$140	N/A	\$65 / \$90 / \$140	N/A
(1) (Generic / Preferred Brand Name / Non-Preferred Brand Name)				





El Paso Electric Company

Postretirement Benefit Programs for Employees of
El Paso Electric Company

Actuarial Valuation Report
Benefit Cost for Fiscal Year Beginning
January 1, 2022 under US GAAP

August 2022

This report is confidential and intended solely for the information and benefit of the intended recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Actuarial Certification" section herein.

Postretirement Benefit Programs for Employees of El Paso Electric Company

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Purposes of valuation

El Paso Electric Company (the Company) engaged Willis Towers Watson US LLC (Willis Towers Watson) to value the Company's other postretirement benefit plan.

As requested by the Company, this report documents the results of an actuarial valuation of the Postretirement Benefit Programs for Employees of El Paso Electric Company (the Plan) as of January 1, 2022.

The primary purpose of this valuation is to determine the Net Periodic Postretirement Benefit Cost/(Income) (Benefit Cost), in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715) for the fiscal year beginning January 1, 2022. It is anticipated that a separate report will be prepared for year-end financial reporting purposes.

Limitations

This valuation has been conducted for the purposes described above and may not be suitable for any other purpose. In particular, please note the following:

1. The expected contribution to the other postretirement benefits plan(s) has been set at \$450,000.

Note that any significant change in the amounts contributed or expected to be contributed in 2022 from what is disclosed at December 31, 2021 may require disclosure in the interim financial statements, but should not affect the expected return on plan assets absent a remeasurement for another purpose.

2. There may be certain events that have occurred since the valuation date that are not reflected in the current valuation. See Subsequent Events in the Basis for Valuation section below for more information.
3. This report does not provide information for plan accounting and financial reporting under ASC 960 or ASC 965.
4. The comparisons of plan obligations as determined for accounting and financial reporting purposes to plan assets presented in this report cannot be relied upon to determine the need for nor the amount of required future plan contributions. Nevertheless, such comparisons may be useful to assess the need for future contributions because they reflect current interest rates at the measurement date in determining benefit obligations. However, asset gains and losses, demographic experience different from assumed, changes in interest rates, future benefit accruals, if any, and other factors will all affect the need for and amount of future contributions. In addition, if a plan is not required by law to be funded, benefit payments may also be paid directly by the plan sponsor as they come due.

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Postretirement Benefit Programs for Employees of El Paso Electric Company

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Section 1: Summary of key results

Benefit cost, plan assets & obligations

All monetary amounts shown in US Dollars

Fiscal Year Beginning		01/01/2022	01/01/2021
Benefit Cost/ (Income)	Net Periodic Postretirement Benefit Cost/(Income)	(4,939,406)	(5,441,233)
	Benefit Cost/(Income) due to Special Events	0	0
	Total Benefit Cost/(Income)	(4,939,406)	(5,441,233)
Measurement Date		01/01/2022	01/01/2021
Plan Assets	Fair Value of Plan Assets (FVA)	50,189,267	45,596,843
	Actual Return on Fair Value of Plan Assets during Prior Year	12.52%	11.37%
Benefit Obligations	Accumulated Postretirement Benefit Obligation (APBO)	(57,316,062)	(51,909,127)
Funded Ratio	Fair Value of Plan Assets to APBO	87.6%	87.8%
Accumulated Other Comprehensive (Income)/Loss (Pre-tax)	Net Prior Service Cost/(Credit)	(17,285,642)	(20,378,898)
	Net Loss/(Gain)	(49,759,081)	(53,510,228)
	Total Accumulated Other Comprehensive (Income)/Loss (pre-tax)	(67,044,703)	(73,889,124)
Assumptions	Equivalent Single Discount Rate for Benefit Obligations	3.03%	2.76%
	Equivalent Single Discount Rate for Service Cost	3.24%	3.05%
	Equivalent Single Discount Rate for Interest Cost	2.53%	2.07%
	Expected Long-Term Rate of Return on Plan Assets	7.45%	7.35%
Participant Data	Census Date	01/01/2022	01/01/2021

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Comments on results

The actuarial gains/(losses) due to demographic experience, including any assumption changes, and investment return different from assumed during the prior year were \$(2,496,736) and \$2,360,387 respectively.

Change in net periodic cost and funded position

The net periodic cost increased from \$(5,441,233) in fiscal 2021 to \$(4,939,406) in fiscal 2022 and the funded position declined from \$(6,312,284) to \$(7,126,795).

Significant reasons for these changes include the following:

- Updates to the claims cost, retiree contributions, and administrative expenses assumptions increased the net periodic cost and caused the funded position to deteriorate.
- The mortality improvement scale assumption was updated from Scale MP-2020 to Scale MP-2021 which increased the net periodic cost and caused the funded position to deteriorate.
- The actual return on the fair value of plan assets since the prior measurement date was greater than assumed, which improved the funded position.
- Contributions to the plan during the prior year improved the funded status and therefore reduced the net periodic cost.
- The discount rate used to measure APBO increased 27 basis points compared to the prior year, which increased the net periodic income and improved the funded position.

Effects of Health Care Reform

This valuation reflects our understanding of the relevant provisions of the Patient Protection and Affordable Care Act (PPACA) and Health Care and Education Reconciliation Act (HCERA), and subsequent legislation (the SECURE Act of 2019) that eliminated the Cadillac tax, medical device tax and health insurance issuer tax. The IRS has yet to issue final guidance with respect to many aspects of these laws. It is possible that future guidance may conflict with our understanding of these laws based on currently available guidance and could therefore affect the results shown in this report. The valuation does not anticipate the effects of any additional possible future changes to PPACA or HCERA.

Basis for valuation

Appendix A summarizes the assumptions, methods and models used in the valuation. Appendix B summarizes our understanding of the principal provisions of the plan being valued. Both of these appendices include a summary of any changes since the prior valuation. Unless otherwise described below under Subsequent Events, assumptions were selected based on information known as of the measurement date.

Subsequent events

None.

Additional information

None.



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Actuarial certification

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. However, please note the information discussed below regarding this valuation.

Reliances

In preparing the results presented in this report, we have relied on information regarding plan provisions, participants, assets, and sponsor accounting policies and methods provided by the Company and other persons or organizations designated by the Company. See the Sources of Data and Other Information section of Appendix A for further details. We have relied on all the data and information provided as complete and accurate. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by the Company, may produce materially different results that could require that a revised report be issued.

Measurement of benefit obligations, plan assets and balance sheet adjustments

Census date/measurement date

The measurement date is January 1, 2022. The benefit obligations were measured as of January 1, 2022 and are based on participant data as of the census date, January 1, 2022.

Plan assets and balance sheet adjustments

Information about the fair value of plan assets and the general ledger account balances for the other postretirement benefit plan cost at December 31, 2021, which reflect the expected funded status of the plan before adjustment to reflect the funded status based on the year-end measurements, and differences between the expected Medicare Part D subsidies and amounts received during the year was reviewed for reasonableness and consistency, but no audit was performed.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for tax effects. Any tax effects in AOCI should be determined by the Company in consultation with its tax advisors and independent accountants.

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Assumptions and methods under U.S. GAAP

As required by U.S. GAAP, the actuarial assumptions and methods employed in the development of the benefit cost and other financial reporting have been selected by the Company. Willis Towers Watson has evaluated the assumptions used and believes that they do not significantly conflict with what would be reasonable, except for the expected long-term rate of return on plan assets selected as of January 1, 2022. Willis Towers Watson was unable to evaluate the expected long-term rate of return on plan assets due to a lack of information about the asset classes in which the plan is invested. ASC 715 requires that each significant assumption "individually represent the best estimate of the plan's future experience solely with respect to that assumption."

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated by Willis Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

A summary of the assumptions, methods and sources of data and other information used is provided in Appendix A. Note that any subsequent changes in methods or assumptions for the January 1, 2022 measurement date will change the results shown in this report.

Certain models (as described in ASOP No. 56) were used in preparing the information presented herein. Further information on these models can be found in Appendix A.

Nature of actuarial calculations

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. Any rounding (or lack thereof) used for displaying numbers in this report is not intended to imply a degree of precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period), and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of such future measurements. Retiree group benefits models necessarily rely on the use of approximations and estimates, and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements.

See Basis for Valuation in Section 1 above for a discussion of any material events that have occurred after the valuation date that are not reflected in this valuation.



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Limitations on use

This report is provided subject to the terms set out herein and in our engagement letter dated March 9, 2020 and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of the Company and its independent accountants in connection with our actuarial valuation of the other postretirement benefit plan as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. The Company may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require the Company to provide them this report, in which case the Company will use best efforts to notify Willis Towers Watson in advance of this distribution. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Willis Towers Watson's prior written consent. Willis Towers Watson accepts no responsibility for any consequences arising from any other party relying on this report or any advice relating to its contents.

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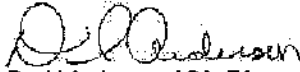
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Professional qualifications

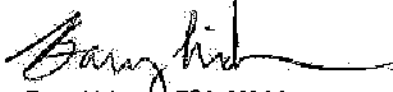
The undersigned are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to other postretirement benefit plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Willis Towers Watson US LLC.



Cat Kenagy FSA, EA
Valuation Actuary
20-07490
August 31, 2022



David Anderson, ASA, EA
Valuation Actuary
20-07493
August 31, 2022



Barry Lichman, FSA, MAAA
Pricing Specialist
August 31, 2022

The Pricing Specialist is responsible for developing and/or determining the reasonableness of retiree welfare plan trend and participation assumptions as well as assumed per capita claims costs (including the aging/morbidity assumption if applicable). The Valuation Actuary is responsible for other aspects of the valuation (e.g., developing and/or reviewing the reasonableness of other valuation assumptions and methods, ensuring that the valuation model reasonably reflects the substantive plan, preparing demographic data, performing the valuation, implementing the appropriate accounting or funding calculations, etc.).



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Section 2: Accounting exhibits

2.1 Balance sheet asset/(liability)

All monetary amounts shown in US Dollars

Measurement Date	01/01/2022	01/01/2021
A Development of Balance Sheet Asset/(Liability)¹		
1 Accumulated postretirement benefit obligation (APBO)	(57,316,062)	(51,909,127)
2 Fair value of plan assets (FVA)	50,189,267	45,596,843
3 Net balance sheet asset/(liability)	(7,126,795)	(6,312,284)
B Current and Noncurrent Classification²		
1 Noncurrent asset	0	0
2 Current liability	0	0
3 Noncurrent liability	(7,126,795)	(6,312,284)
4 Net balance sheet asset/(liability)	(7,126,795)	(6,312,284)
C Accumulated Other Comprehensive (Income)/Loss		
1 Net prior service cost/(credit)	(17,285,642)	(20,378,896)
2 Net loss/(gain)	(49,759,061)	(53,510,228)
3 Accumulated other comprehensive (income)/loss ³	(67,044,703)	(73,889,124)
D Assumptions and Dates		
1 Equivalent single discount rate for benefit obligations	3.03%	2.76%
2 Equivalent single discount rate for service cost	3.24%	3.05%
3 Equivalent single discount rate for interest cost	2.53%	2.07%
4 Census date	01/01/2022	01/01/2021

¹ Whether any amounts in this table that differ from those disclosed at year-end must be disclosed in subsequent interim financial statements should be determined.

² The current liability (for each underfunded plan) was measured as the discounted value of benefits expected to be paid over the next 12 months in excess of the fair value of the plan's assets at the measurement date.

³ Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

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Postretirement Benefit Programs for Employees of El Paso Electric Company

2.2 Changes in plan obligations and assets

All monetary amounts shown in US Dollars

Period	Beginning	01/01/2022	01/01/2021
A Change in Accumulated Postretirement Benefit Obligation (APBO)			
1	APBO at beginning of prior fiscal year	51,909,127	60,760,057
2	Employer service cost	3,498,330	2,577,808
3	Interest cost	1,051,207	1,848,918
4	Actuarial loss/(gain)	2,496,736	(11,720,645)
5	Plan participants' contributions	798,126	1,362,391
6	Benefits paid from plan assets	(2,119,338)	(2,580,268)
7	Benefits paid from Company assets ¹	(138,677)	(177,869)
8	Medicare Part D subsidy	0	0
9	Administrative expenses paid ²	(179,449)	(161,263)
10	Plan amendments	0	0
11	Acquisitions/(divestitures)	0	0
12	Curtailments	0	0
13	Settlements	0	0
14	Special/contractual termination benefits	0	0
15	APBO at beginning of current fiscal year	57,316,062	51,909,127
B Change in Plan Assets			
1	Fair value of plan assets at beginning of prior fiscal year	45,596,843	41,810,927
2	Actual return on plan assets	5,643,085	4,700,056
3	Employer contributions	450,000	465,000
4	Plan participants' contributions	798,126	1,362,391
5	Benefits paid	(2,119,338)	(2,580,268)
6	Administrative expenses paid	(179,449)	(161,263)
7	Acquisitions/(divestitures)	0	0
8	Settlements	0	0
9	Fair value of plan assets at beginning of current fiscal year	50,189,267	45,596,843

¹ Net of retiree contributions.

² Only if future expenses are accrued in APBO through a load on service cost.



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2.3 Summary of net balances

All monetary amounts shown in US Dollars

A Summary of Prior Service Cost/(Credit) Bases

Measurement Date Established	Original Amount	Net Amount at 01/01/2022	Remaining Amortization Period	Amortization Amount in 2022	Effect of Curtailments	Other Events
10/03/2013	(97,440)	(11,984)	1.15609	(10,366)	0	0
12/31/2015	(623,872)	(325,062)	3.19005	(83,135)	0	0
10/01/2016	(32,697,299)	(16,948,596)	5.65000	(2,999,753)	0	0
Total		(17,285,642)		(3,093,254)	0	0

All monetary amounts shown in US Dollars

B Summary of Net Loss/(Gain) (see Appendix A for a description of amortization method)

Net Amount at 01/01/2022 ¹	Amortization Amount in 2022	Effect of Curtailments	Effect of Settlements	Other Events (Identify)
(49,759,061)	3,005,806	0	0	0

¹ Before any immediate recognition on the same date.

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2.4 Development of plan assets for benefit cost

All monetary amounts shown in US Dollars

	Fair Value	Market-Related Value
A Reconciliation of Plan Assets		
1 Plan assets at 12/31/2020	45,596,843	45,596,843
2 Actual return on plan assets	5,643,085	5,643,085
3 Employer contributions	450,000	450,000
4 Plan participants' contributions	798,126	798,126
5 Benefits paid	(2,119,338)	(2,119,338)
6 Administrative expenses paid	(179,449)	(179,449)
7 Acquisitions/(divestitures)	0	0
8 Settlements	0	0
9 Plan assets at 12/31/2021	50,189,267	50,189,267
B Rate of Return on Invested Assets		
1 Weighted invested assets	45,071,512	
2 Rate of return	12.52%	
C Investment Loss/(Gain)		
1 Actual return	5,643,085	
2 Expected return	3,282,698	
3 Loss/(gain)	(2,360,387)	



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Postretirement Benefit Programs for Employees of El Paso Electric Company

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2.5 Summary and comparison of benefit cost and cash flows

All monetary amounts shown in US Dollars

Fiscal Year Ending	12/31/2022	12/31/2021
A Total Benefit Cost		
1 Employer service cost	3,387,431	3,498,330
2 Interest cost	1,415,183	1,051,207
3 Expected return on plan assets	(3,642,960)	(3,282,698)
4 Subtotal	1,159,654	1,266,839
5 Net prior service cost/(credit) amortization	(3,093,254)	(3,093,254)
6 Net loss/(gain) amortization	(3,005,806)	(3,614,818)
7 Subtotal	(6,099,060)	(6,708,072)
8 Net periodic postretirement benefit cost/(income)	(4,939,406)	(5,441,233)
9 Curtailment (gain)/loss	0	0
10 Settlement (gain)/loss	0	0
11 Special/contractual termination benefits	0	0
12 Total benefit cost	(4,939,406)	(5,441,233)
B Assumptions (See Appendix A for interim measurements, if any)		
1 Equivalent single discount rate for benefit obligations	3.03%	2.76%
2 Equivalent single discount rate for service cost	3.24%	3.05%
3 Equivalent single discount rate for interest cost	2.53%	2.07%
4 Expected long-term rate of return on plan assets	7.45%	7.35%
5 Census date	01/01/2022	01/01/2021
C Fair Value of Assets at Beginning of Year	50,189,267	45,596,843
D Cash Flows Net of Medicare Part D Subsidy		
	Expected	Actual
1 Employer contributions	450,000	450,000
2 Plan participants' contributions	1,027,881	798,128
3 Benefits paid from Company assets	0	138,677
4 Benefits paid from plan assets	2,829,448	2,119,338
E Amortization Period		
1 For gain/loss amortization, if applicable	14.64747	13.36701

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Postretirement Benefit Programs for Employees of El Paso Electric Company

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Section 3: Participant data

3.1 Summary of participant data

All monetary amounts shown in US Dollars

Census Date	01/01/2022	01/01/2021
A Participating Employees		
1 Number		
a Fully eligible	346	444
b Other	719	694
c Total participating employees	1,065	1,138
2 Average age	44.28	45.96
3 Average credited service	12.00	14.01
B Retirees, Surviving Spouses and Surviving Dependents		
1 Medical Plan		
a Retirees	475	398
b Dependents of Retirees	270	221
c Surviving spouses	64	60
2 Life Insurance Plan		
a Number	645	546

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Appendix A: Statement of actuarial assumptions, methods and data sources

Plan Sponsor

El Paso Electric Company

Statement of Assumptions

The assumptions disclosed in this Appendix are for the fiscal year 2022 benefit cost.

Assumptions and methods for other postretirement benefit cost purposes

Actuarial Assumptions and Methods — Other Postretirement Benefit Cost

Economic Assumptions

Discount rate

Equivalent single discount rate for benefit obligations	3.03%
Equivalent single discount rate for service cost	3.24%
Equivalent single discount rate for interest cost	2.53%

Annual rates of increase

- Consumer Price Index (CPI) 2.40%
- Return on plan assets 7.45% after-tax return

As required by the U.S. GAAP accounting standard, the yield curve reflecting returns on high quality corporate bonds (AA and AAA) is used to determine the obligations and service cost, and thus the net periodic benefit cost for the plan. Because these assumptions are required by the U.S. GAAP accounting standard, and reflect current market conditions (specifically, the market conditions as of the measurement date) they may from time to time be inconsistent with other economic assumptions used in the valuation, which may reflect both current economic conditions and assumed future conditions.

The return on assets shown above is gross of investment expenses and administrative expenses assumed to be paid from the trust.

Demographic and Other Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee is hired.
New or rehired employees	It was assumed there will be no new or rehired employees.
Benefit commencement dates	
• Disability benefit	Upon disablement if participant is at least age 41, with age and service greater than 65
• Retirement benefit	Upon termination of participant on or after eligibility

Participation Assumptions for Plan

	Current Retirees	Future Retirees
Participation	Based on valuation census data	85% of future retirees are assumed to elect medical coverage at retirement. Current retired plan participants are assumed to continue coverage.
Medical Plan Participation	Based on valuation census data	64% of future retirees are assumed to elect the \$1,000 Plan and 36% of future retirees are assumed to elect the \$2,250 Plan
Percentage married	Based on valuation census data	70% of males; 40% of females
Spouse age	Based on valuation census data	Wife 3 years younger than husband
Non-spouse dependent coverage	Not included in this valuation	Not included in this valuation



Demographic Assumptions

Mortality:

- **Healthy mortality rates**
 - Base Mortality Table (Male Table used for Males; Female Table used for Females)
 1. Base table: Pri-2012
 2. Base mortality table year: 2012
 3. Table type: White Collar for non-union participants, Blue-Collar for union participants, and Total Dataset for participants with an unknown union status
 4. Healthy or Disabled: Healthy
 5. Table weighting: Benefit
 6. Blending of annuitants and non-annuitants: Separate rates for annuitants and non-annuitants
 7. Blending of retirees and contingent annuitants: Retiree mortality is used for both retirees and contingent annuitants
 - Mortality Improvement Scale (Male Table used for males; Female Table used for Females)
 1. Base scale: MP-2021
 2. Projection Type: Generational

- **Disabled life mortality rates**
 - Base Mortality Table (Male Table used for Males; Female Table used for Females)
 1. Base table: Pri-2012
 2. Base mortality table year: 2012
 3. Table type: No Collar
 4. Healthy or Disabled: Disabled
 5. Blending of annuitants and non-annuitants: Single blended table of rates for annuitants and non-annuitants
 - Mortality Improvement Scale
 1. Base scale: MP-2021
 2. Projection Type: Generational

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Disability rates

The rates at which participants are assumed to become disabled by age are shown below:

Percentage assumed to become disabled during the year

Attained Age	
45	0.45%
55	1.19%
65+	1.93%

Termination (not due to disability or retirement) rates

The rates at which participants are assumed to terminate employment by age and gender are shown below:

Percentage assumed to leave during the year

Attained Age	Males	Females
25	5.0%	6.0%
30	5.0%	6.0%
35	4.0%	6.0%
40	3.0%	6.0%
45	2.0%	4.0%
50	1.0%	2.0%
55+	0.0%	0.0%

Retirement

Rates at which participants are assumed to retire by age and eligibility for an unreduced early retirement are shown below.

Percentage assumed to retire during the year

Age	Final Average Pay		
	Reduced Early Retirement	Unreduced Retirement	Cash Balance
55	3.0%	5.0%	10.0%
56-59	3.0%	5.0%	10.0%
60	3.0%	10.0%	10.0%
61	3.0%	10.0%	10.0%
62	20.0%	20.0%	20.0%
63	10.0%	10.0%	10.0%
64	10.0%	10.0%	10.0%
65-69	25.0%	25.0%	25.0%
70	100.0%	100.0%	100.0%



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Trend Rates

Health care cost trend rate: Plan trend rates are the annual rates of increase expected for benefits payable from the plan (both medical and prescription); these rates include Health Care Cost Trend plus any leveraging effect of plan design. Assumed plan trend rates are shown below:

Year	
2022	6.25%
2023	5.75%
2024	5.25%
2025	4.75%
2026+	4.50%

Administrative expense inflation 4.50%.

Participant contribution trend rates: Same as applicable medical plan trend rate.

Per Capita Claims Costs

Pre-65 Average Annual Per Capita Claims Cost		
Age	\$1,000 Deductible	\$2,250 Deductible
50-54	\$8,076	\$7,286
55-59	\$9,697	\$8,749
60-64	\$12,000	\$10,827

Post-65 Average Annual Per Capita Claims Cost	
Age	
65+	\$764

Additional Assumptions

Administrative expenses Pre-65 per-adult administrative fee of \$1,857.23 annually based upon 2022 fees charged for medical administration (BCBSTX), pharmacy administration (Express Scripts), stop loss premiums (BCBSTX), medical consulting services (Gallagher), and pharmacy consulting services (Innovative Rx Strategies).

No administrative fees for the post-65 plan as administrative costs are built into the fully-insured premiums.

Assumed expenses of 0.4% of plan assets are added to the Service Cost component of expense.

Cash flow

- **Decrement timing** The assumptions used are collectively called rounded middle of year (rounded MOY) decrement timing. Most events are assumed to occur at the middle of year during which the eligibility condition will be met or the start/end date will occur. For death and disability decrements, the rate applied is based on the participant's rounded age (nearest integer age) at the beginning of the year, to align with the methodology generally used to create those rate tables. For retirement and withdrawal decrements: the age is generally the participant's rounded age at the middle of the year. Retiree medical claims costs are based on the nearest age at the beginning of the year, to align with how claims costs tables are typically developed.

- **Timing of benefit payments** Benefit payments are assumed to be made uniformly throughout the year and, on average, at mid-year.

- **Amount and timing of contributions** Contributions are assumed to be made throughout the year and, on average, at mid-year.

Methods—Other Postretirement Benefit Cost and Funded Position

Census date January 1, 2022

Measurement date January 1, 2022

Service cost and accumulated postretirement benefit obligation Costs are determined using the Projected Unit Credit Cost Method. The annual service cost is equal to the present value of the portion of the projected benefit attributable to service during the upcoming year, and the Accumulated Postretirement Benefit Obligation (APBO) is equal to the present value of the portion of the projected benefit attributable to service before the measurement date. Service from hire date through the expected full eligibility date is counted in allocating costs.

APBO and service cost are measured by separately discounting the projected benefit payments underlying these measures, determined using the methodology described above, using the spot rates on the December 31, 2021 Willis Towers Watson RATE:Link 40:90 yield curve. Interest cost was measured by summing the individual interest costs associated with each future benefit payment underlying the APBO and service cost. These individual interest costs are developed by multiplying the present value of each benefit payment, discounted using the applicable spot rate on the yield curve relating to the future benefit payment, by that spot rate. Equivalent single discount rates that would produce the resulting benefit obligation, service cost and interest cost have been determined and disclosed.



Market-related value of assets

The fair value of assets is used to determine the expected investment return during the year.

Amortization of unamortized amounts:

• **Recognition of past service cost/(credit)**

Amortization of net prior service cost/(credit) resulting from a plan change is included as a component of Net Periodic Postretirement Benefit Cost/(Income) in the year first recognized and every year thereafter until it is fully amortized. The annual amortization payment is determined in the first year as the increase in APBO due to the plan change divided by the average remaining service period to full eligibility for active participants expected to receive benefits under the plan.

However, when a plan change reduces the APBO, existing positive prior service costs are reduced or eliminated starting with the earliest established before a new prior service credit base is established.

• **Recognition of gains or losses**

Amortization of the net gain or loss resulting from experience different from that assumed and from changes in assumptions (excluding asset gains and losses not yet reflected in market-related value) is included as a component of Net Periodic Postretirement Benefit Cost/(Income) for a year.

If, as of the beginning of the year, that net gain or loss exceeds 10% of the greater of the APBO and the market-related value of plan assets, the amortization is that excess divided by the average remaining service period of active plan participants.

Under this methodology, the gain/loss amounts recognized in AOCI are not expected to be fully recognized in benefit cost until the plan is terminated (or an earlier event, like a settlement, triggers recognition) because the average expected remaining service of active participants expected to benefit under the plan over which the amounts are amortized is redetermined each year and amounts that fall within the corridor described above are not amortized.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson has reviewed the plan provisions with the plan sponsor and, based on that review, is not aware of any significant benefits required to be valued that were not.

Sources of Data and Other Information

The plan sponsor furnished participant data as of 1/1/2022 and claims data as of 11/1/2021. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with El Paso Electric Company's tax advisors and auditors.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Discount rate(s)	As required by U.S. GAAP the discount rate methodology was chosen by the plan sponsor based on market information on the measurement date. Based on Willis Towers Watson's interest rate model, RATE:Link, that uses a yield curve derived from current, high quality (rated AA and above) corporate bonds to discount expected pension cash flows, and thus determine discount rates, we believe the discount rate chosen does not significantly conflict with what would be reasonable.
Expected return on plan assets	We understand that the expected return on assets assumption reflects the plan sponsor's estimate of future experience for trust asset returns, reflecting the plan's current asset allocation and any expected changes during the current plan year, current market conditions and the plan sponsor's expectations for future market conditions. Willis Towers Watson was unable to evaluate this assumption because relevant information was not provided.
Administrative expenses	Administrative fees for the pre-65 plan are based upon 2022 fees charged for medical administration (BCBSTX), pharmacy administration (Express Scripts), stop loss premiums (BCBSTX), medical consulting services (Gallagher), and pharmacy consulting services (Innovative Rx Strategies). No administrative fees for the post-65 plan as administrative costs are built into the fully-insured premiums. Administrative expenses are estimated based on an assumption of past expenses paid from the trust assets as a percentage of held assets. We believe this assumption does not significantly conflict with what would be reasonable.



Claims cost trend rates	Assumed increases were chosen by the plan sponsor and, as required by U.S. GAAP they represent an estimate of future experience, informed by an analysis of recent plan experience, leading to select and ultimate assumed trend rates and reflecting the expected near-term effect of recently enacted plan changes. We believe this assumption does not significantly conflict with what would be reasonable.
Participant contribution trend rates	Assumed increases were chosen by the plan sponsor and, as required by U.S. GAAP they represent an estimate of future experience. We believe this assumption does not significantly conflict with what would be reasonable.
Per capita claims costs	<p>Per capita claims costs were chosen by the plan sponsor to be the best estimate of the plan's per capita claims costs including expenses in the plan year beginning on the measurement date (with any expected changes in future years reflected in the trend rate assumption).</p> <p>Pre-65 medical and prescription drug per capita claim costs were developed based on historical claims, enrollment, and prescription drug rebate information for 2017-2019 as provided by BCBSTX and EnvisionRx for the El Paso Electric active and pre-65 retiree populations. Raw per capitas for each population were developed and adjusted for completion (i.e. conversion from a paid to incurred basis), and trend. Adjustments were made for historical stop loss reimbursements and plan design changes. Prescription drug costs were adjusted to reflect improved rebate terms under Express Scripts effective in 2020. Due to the small size of the pre-65 retiree population, the results were adjusted for credibility using demographically and plan-design adjusted active costs. Average per capitas were distributed by age using Willis Towers Watson's AgeDist model (2015 version).</p> <p>Post-65 medical and prescription drug per capita claim costs were developed based upon the 2022 fully-insured premium charged by Humana.</p>

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions were selected by the plan sponsor and, as required by U.S. GAAP represent a best estimate of future experience. We believe this assumption does not significantly conflict with what would be reasonable.
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Postretirement Benefit Programs for Employees of El Paso Electric Company

Disabled Mortality	Assumptions used for accounting purposes were selected by the plan sponsor and, as required by U.S. GAAP represent a best estimate of future experience. We believe this assumption does not significantly conflict with what would be reasonable.
Termination	Termination rates were based on an experience study conducted in 2017, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. We believe this assumption does not significantly conflict with what would be reasonable.
Disability	Disability rates were based on historical experience with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. We believe this assumption does not significantly conflict with what would be reasonable.
Retirement	Retirement rates were based on an experience study conducted from 2014 to 2017, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. We believe this assumption does not significantly conflict with what would be reasonable.
Participation:	
• Participants	Assumed participation rates reflect historical experience as well as expectations for the future with periodic consideration of whether any conditions have changed that would be expected to produce different results in the future.
• Covered spouses	Assumed coverage rates for spouses reflect historical experience as well as anticipated future experience.
Benefit commencement date:	Retirees are assumed to begin benefits immediately on eligible retirement because the plan does not permit a delay without forfeiting the right to participate.
Medical Plan Election	Assumed medical plan election rates for future retirees for the pre-65 retiree plan reflect current retiree enrollment.
Marital Assumptions:	The assumed age and percentage married is based on an experience study conducted in 2017, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.



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Source of Prescribed Methods (Required for ASOP compliance, otherwise optional)

Accounting methods The methods used for accounting purposes as described in Appendix A, including the method of determining the market-related value of plan assets, are "prescribed methods set by another party", as defined in the actuarial standards of practice (ASOPs). As required by U.S. GAAP, these methods were selected by the plan sponsor.

Changes in Assumptions, Methods and Estimation Techniques:

Change in assumptions since prior valuation The single equivalent APBO discount rate increased from 2.76% as of January 1, 2021 to 3.03% as of January 1, 2022 to reflect the change in yields on high-quality corporate bonds.

The single equivalent service cost discount rate increased from 3.05% as of January 1, 2021 to 3.24% as of January 1, 2022 to reflect the change in yields on high-quality corporate bonds.

The single equivalent interest cost discount rate increased from 2.07% as of January 1, 2021 to 2.53% as of January 1, 2022 to reflect the change in yields on high-quality corporate bonds.

The after-tax return on plan assets was updated from 7.35% as of January 1, 2021 to 7.45% as of January 1, 2022.

The mortality improvement scale assumption was updated from Scale MP-2020 to Scale MP-2021.

The per capita costs were updated for 2022 using the methodology described above.

Retiree contribution amounts for 2022 were updated to reflect actual rates provided by El Paso Electric.

Medical plan participation for future retirees was updated based on the most recent data.

Change in methods since prior valuation None.

Change in estimation techniques since prior valuation None.

Model Descriptions and Disclosures in accordance with ASOP No. 56

Quantify

Quantify is the Willis Towers Watson centrally developed, tested and maintained Global actuarial valuation system. It is used to perform valuations of clients' benefit plans.

Quantify provides the ability to process data, calculate benefits and value benefit liabilities, develop results using applicable standards, and generate client reports.

Quantify parameters provide significant flexibility to model populations and plan designs. Various demographic, economic and benefit related assumptions exist for users to model multiple demographic and economic situations.

Plan liabilities are calculated based on standard actuarial techniques, developing actuarially reasonable results using the population and parameters entered. The calculation and presentation of liabilities in Quantify relies on the assumptions used and the reasonability of the assumptions selected.

Quantify incorporates standard liability methodologies that are intended to reasonably reflect a variety of economic or demographic conditions. The model itself does not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence.

Quantify is designed specifically for these purposes, and we know of no material limitations that would prevent the system from being suitable for these intended purposes. The actuaries signing this report have relied on the actuaries who develop, test and maintain this system, and have also performed a limited review of results to ensure that system parameters have been set appropriately and plan provisions coded correctly.

RateCalc/RATE:Link

RateCalc is used as one component in developing the single equivalent discount rate that reflects the characteristics of the client's employee benefit plan. It references a yield curve (often a RATE:Link curve) and expected plan benefit payments. The projected benefit payments from the client's plan are matched to the spot rates along the yield curve to determine their present values. A single equivalent discount rate is then solved for, which produces the same total present value as the spot rates.

RATE:Link is a methodology to develop spot rates to be used for liability and cost measurements related to employee benefit plans. The same core methodology is used to develop all RATE:Link curves. The RATE:Link process develops term structures of interest rates from corporate bond data for each covered geography (e.g., the U.S. for this valuation).



The construction of RATE:Link yield curves relies on bond data collected as of the measurement date.

Information regarding quoted bond prices, yields and other bond related data is from Bloomberg Finance L.P.

Published Demographic Tables

Certain demographic tables described above are standard published tables or are based on standard published tables from models developed by organizations with the requisite expertise

AgeDist

AgeDist is a spreadsheet tool that applies relative cost factors by age to average per capita costs (pre and post 65) and census weights to produce age-graded plan costs for pre- and post-65 populations. The average per capita costs and census weights are provided as inputs to the tool which is then combined with a morbidity curve to produce a set of weighted average age-related costs that equal the average. The age-graded costs are used in the actuarial valuation.

The morbidity curve was developed from a broad set of claims data aggregated by age and blended and may not reflect your specific morbidity. The model does not evaluate the average per capita costs or census weights for reasonableness or consistency.

HealthMAPS

HealthMAPS includes rating manuals and software for medical, dental, Medicare Supplement, prescription drugs, state mandated benefits, specific stop loss and aggregate stop loss. The rating manuals and software enable the user to produce premium rates by type of coverage for specific benefit configurations. **HealthMAPS** is most commonly used as a tool for estimating the cost of medical and dental benefits or for estimating the effect of a change in plan provisions for use in other models and projections, most notably the Pricing and Underwriting Tool (PUT). **HealthMAPS** relies on underlying claims continuance tables developed from historic IBM MarketScan database data. This data includes national claims averages rather than client-specific information.

Pricing and Underwriting Tool (PUT)

The **Pricing and Underwriting Tool (PUT)** develops projected premium equivalent rates, employee contributions, and COBRA rates for self-insured employer health plans (medical, prescription drugs, dental, and vision). The tool develops rates by plan or in aggregate leveraging historic claims, enrollment, and plan design and administrative fee data for an employer. The model allows flexibility to incorporate plan design changes, seasonality, and multiple methods of estimating incurred claims amounts from paid claims data.

The models used for this analysis are designed specifically for these purposes and we know of no material limitations that would prevent the model from being suitable for these intended purposes.

We are not aware of any material inconsistencies among assumptions used in this work. The models themselves do not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence. The calculations and presentation of results relies on the assumptions used and the reasonability of the assumptions selected. The output of the models used in this analysis is considered reasonable based on the aggregation of assumptions used. However, a different set of results could also be considered reasonable based on a range of possible values used for each assumption.

The individuals signing or delivering this report have relied on other Willis Towers Watson employees and actuaries who develop, test and maintain each of the proprietary models used for this analysis and have also performed a limited review of assumptions and results to ensure that the models have been set up appropriately and coded correctly. We have not relied on any external experts to develop, review, or validate the models used in this analysis.



Appendix B: Summary of principal other postretirement benefit plan

Substantive Plan Provisions

Covered employees	All employees.
Participation date	Date of becoming a covered employee.

Definitions

Eligibility service	Years and months of service as a covered participant.
Spouse	A spouse who was married to the participant both on the participant's retirement date and on the measurement date.
Surviving spouse	A spouse who was married to the participant both on the participant's retirement date and on the date of his or her death.
Dependent	A child or other legal dependent of the retiree, who was such before attaining the age of 18. Eligible dependents shall remain eligible dependents until they reach age 26.

Medical Benefits

Eligibility	Age 55 with 5 years of service, or disabled with at least age 41 and 65 years of age and service combined.
Dependent eligibility	Spouse, and children under age 26.
Survivor eligibility	Eligibility continues beyond death of retiree as long as Surviving Spouse remains unmarried.
Retiree contributions	The tables below shows monthly retiree contributions for 2022:

Pre-65 monthly retiree contributions for 2022

	\$1,000 Deductible Plan	\$2,250 Deductible Plan
Retiree Only	\$314.64	\$271.82
Retiree + Spouse	\$651.30	\$562.69
Retiree + Child(ren)	\$488.91	\$422.39
Retiree + Family	\$833.54	\$720.22

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Post-65 monthly retiree contributions for 2022

	1,000 Deductible Plan
Individual	\$31.20
Individual + One	\$62.40
Individual + Two	\$93.60
Individual + Three	\$124.80

Under age 65 benefits

See Pre-65 Plan Provisions table section of this appendix.

Age 65 and older benefits

Medical and Pharmacy Benefits: Fully-insured Humana Medicare Advantage with Prescription Drug (MAPD) Plan. The 2022 monthly premium rate is \$63.67.

Life Insurance Benefits

Eligibility

Age 55 with 5 years of service, or disabled with at least age 41 and 65 years of age and service combined.

Benefits

Retirements prior to 1/1/2006:

One times salary at retirement with coverage reduction according to age as follows:

Age 65 but less than age 70: 65%

Age 70 but less than age 75: 50%

Age 75 or older: 30%

Retirements 1/1/2006 and after: \$10,000

Future Plan Changes

No future plan changes were recognized in determining postretirement welfare cost.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.



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Postretirement Medical Plan Provisions as of January 1, 2022 (Retirees – Pre Age 65)

Carrier Benefit Plan	Pre-65 Retiree BCBSTX – Medical			
	\$1,000 Deductible		\$2,250 Deductible	
	In-Network	Non-Network (1)	In-Network	Non-Network (1)
Lifetime Maximum	N/A		N/A	
Coinsurance	80%	60%	80%	60%
Individual Calendar Year Deductible (Individual / Family) (2)	\$1,000 / \$3,000	\$3,000 / \$9,000	\$2,250 / \$6,750	\$6,750 / \$20,250
Out of Pocket Maximum (Individual / Family) (2)	\$4,500 / \$9,000	\$13,500 / \$27,000	\$6,850 / \$13,700	\$20,550 / \$41,100
Hospital Inpatient	80%, no ded	60% after \$500 per admission ded	80%, no ded	60% after \$500 per admission ded
Emergency Room Facility (3) Accidental Injury & Emergency Care	100% after \$225 Copay		100% after \$300 Copay	
Emergency Room Physician Charges Accidental Injury & Emergency Care	80% after ded		80% after ded	
Emergency Room Facility (3) Non-Emergency Care	80% after \$375 Copay	60% after \$375 Copay	80% after \$450 Copay	60% after \$450 Copay
Emergency Room Physician Charges Non-Emergency Care	80% after ded	60% after ded	80% after ded	60% after ded
Urgent Care Center visit, including lab services (does not include X-Rays, surgical services and Certain Diagnostic Procedures)	\$50 copay	70% after ded	\$75 copay	70% after ded
X-Rays, Surgical Services and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies	80% after ded	60% after ded	80% after ded	60% after ded
Preventative Services	100% (\$0 copay)	70% after ded	100% (\$0 copay)	70% after ded
Physician Office Visit Copay including lab services (excludes X-rays, Surgery and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies) (4)	\$25 PCP / \$40 Spec	70% after ded	\$30 PCP / \$50 Spec	70% after ded
X-Rays, Surgical Services and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies	80% after ded	60% after ded	80% after ded	60% after ded

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Carrier Benefit Plan	Pre-65 Retiree BCBSTX – Medical			
	\$1,000 Deductible		\$2,250 Deductible	
	In-Network	Non-Network (1)	In-Network	Non-Network (1)
Outpatient Lab	100% (\$0 copay)	70% after ded	100% (\$0 copay)	70% after ded
(1) All out-of-network benefits listed are based on the carrier's allowable charges. Charges exceeding this amount will be the member's responsibility.				
(2) Out of Network Deductible and Out of Pocket Maximum will NOT apply toward Network Deductible & Out of Pocket Maximum				
(3) Copay waived if admitted to a network hospital				
(4) X-Rays, Surgical Services and Advanced Imaging PET, MRI, CAT, SPECT subject to deductible and coinsurance				

Carrier	Pre-65 Retiree Express Scripts - Pharmacy			
	In-Network	Non-Network	In-Network	Non-Network
Prescription Benefit – up to 30-day supply (1)	\$20 / \$50 / \$70	N/A	\$25 / \$55 / \$75	N/A
Mail Order Prescriptions – up to 90-day supply (1)	\$45 / \$120 / \$170	N/A	\$50 / \$125 / \$175	N/A
Specialty Medications – up to 30-day supply (1)	\$65 / \$90 / \$140	N/A	\$65 / \$90 / \$140	N/A
(1) (Generic / Preferred Brand Name / Non-Preferred Brand Name)				

WillisTowersWatson 

El Paso Electric Company

Postretirement Benefit Programs for Employees of
El Paso Electric Company

**Actuarial Valuation Report
Benefit Cost for Fiscal Year Beginning
January 1, 2021 under US GAAP**

September 2021

This report is confidential and intended solely for the information and benefit of the intended recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Actuarial Certification" section herein.

Postretirement Benefit Programs for Employees of El Paso Electric Company

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Postretirement Benefit Programs for Employees of El Paso Electric Company

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Purposes of valuation

El Paso Electric Company (the Company) engaged Willis Towers Watson US LLC (Willis Towers Watson) to value the Company's other postretirement benefit plan.

As requested by the Company, this report documents the results of an actuarial valuation of the Postretirement Benefit Programs for Employees of El Paso Electric Company (the Plan) as of January 1, 2021.

The primary purpose of this valuation is to determine the Net Periodic Postretirement Benefit Cost/(Income) (Benefit Cost), in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715) for the fiscal year beginning January 1, 2021. It is anticipated that a separate report will be prepared for year-end financial reporting purposes.

Limitations

This valuation has been conducted for the purposes described above and may not be suitable for any other purpose. In particular, please note the following:

1. The expected contribution to the other postretirement benefits plan(s) has been set at \$465,000.

Note that any significant change in the amounts contributed or expected to be contributed in 2021 may require disclosure in the interim financial statements, but should not affect the expected return on plan assets absent a remeasurement for another purpose.

2. There may be certain events that have occurred since the valuation date that are not reflected in the current valuation. See Subsequent Events in the Basis for Valuation section below for more information.
3. This report does not provide information for plan accounting and financial reporting under ASC 960 or ASC 965.
4. The comparisons of plan obligations as determined for accounting and financial reporting purposes to plan assets presented in this report cannot be relied upon to determine the need for nor the amount of required future plan contributions. Nevertheless, such comparisons may be useful to assess the need for future contributions because they reflect current interest rates at the measurement date in determining benefit obligations. However, asset gains and losses, demographic experience different from assumed, changes in interest rates, future benefit accruals, if any, and other factors will all affect the need for and amount of future contributions. In addition, if a plan is not required by law to be funded, benefit payments may also be paid directly by the plan sponsor as they come due.

Section 1: Summary of key results

Benefit cost, plan assets & obligations

All monetary amounts shown in US Dollars

Fiscal Year Beginning		01/01/2021	01/01/2020
Benefit Cost/ (Income)	Net Periodic Postretirement Benefit Cost/(Income)	(5,441,233)	(3,848,723)
	Benefit Cost/(Income) due to Special Events	0	0
	Total Benefit Cost/(Income)	(5,441,233)	(3,848,723)
Measurement Date		01/01/2021	01/01/2020
Plan Assets	Fair Value of Plan Assets (FVA)	45,596,843	41,810,927
	Actual Return on Fair Value of Plan Assets during Prior Year	11.37%	18.57%
Benefit Obligations	Accumulated Postretirement Benefit Obligation (APBO)	(51,909,127)	(60,760,057)
Funded Ratio	Fair Value of Plan Assets to APBO	87.8%	68.8%
Accumulated Other Comprehensive (Income)/Loss (Pre-tax)	Net Prior Service Cost/(Credit)	(20,378,896)	(23,472,150)
	Net Loss/(Gain)	(53,510,228)	(42,271,720)
	Total Accumulated Other Comprehensive (Income)/Loss (pre-tax)	(73,889,124)	(65,743,870)
Assumptions	Equivalent Single Discount Rate for Benefit Obligations	2.76%	3.54%
	Equivalent Single Discount Rate for Service Cost	3.05%	3.86%
	Equivalent Single Discount Rate for Interest Cost	2.07%	3.09%
	Expected Long-Term Rate of Return on Plan Assets	7.35%	6.00%
Participant Data	Census Date	01/01/2021	01/01/2020

Postretirement Benefit Programs for Employees of El Paso Electric Company

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Comments on results

The actuarial gains/(losses) due to demographic experience, including any assumption changes, and investment return different from assumed during the prior year were \$11,720,645 and \$2,245,685 respectively.

Change in net periodic cost/(income) and funded position

The net periodic income increased from \$(3,848,723) in fiscal 2020 to \$(5,441,233) in fiscal 2021 and the funded position improved from \$(18,949,130) to \$(6,312,284).

Significant reasons for these changes include the following:

- The actual return on the fair value of plan assets since the prior measurement date was greater than assumed, which improved the funded position.
- Contributions to the plan during the prior year improved the funded status and increased the net periodic income.
- The single equivalent discount rate used to measure APBO declined 78 basis points compared to the prior year, which decreased the net periodic income and caused the funded position to deteriorate.
- Actual claims were lower on average than the expected claims from the prior valuation, which increased the net periodic income and improved the funded position.
- Changes in the provider for the benefits offered to the Medicare-eligible population increased the net periodic income and improved the funded position.

Basis for valuation

Appendix A summarizes the assumptions, methods and models used in the valuation. Appendix B summarizes our understanding of the principal provisions of the plan being valued. Both of these appendices include a summary of any changes since the prior valuation. Unless otherwise described below under Subsequent Events, assumptions were selected based on information known as of the measurement date.

Subsequent events

None.

Additional information

None.

Actuarial certification

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. However, please note the information discussed below regarding this valuation.

Reliances

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants, assets, and sponsor accounting policies and methods provided by the Company and other persons or organizations designated by the Company. See the Sources of Data and Other Information section of Appendix A for further details. We have relied on all the data and information provided as complete and accurate. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by the Company, may produce materially different results that could require that a revised report be issued.

Measurement of benefit obligations, plan assets and balance sheet adjustments

Census date/measurement date

The measurement date is January 1, 2021. The benefit obligations were measured as of January 1, 2021 and are based on participant data as of the census date, January 1, 2021.

Plan assets and balance sheet adjustments

Information about the fair value of plan assets for the other postretirement benefit plan cost at December 31, 2020, which reflect the expected funded status of the plan before adjustment to reflect the funded status based on the year-end measurements, was reviewed for reasonableness and consistency, but no audit was performed.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for tax effects. Any tax effects in AOCI should be determined by the Company in consultation with its tax advisors and independent accountants.

Assumptions and methods under U.S. GAAP

As required by U.S. GAAP, the actuarial assumptions and methods employed in the development of the other postretirement benefit cost and other financial reporting have been selected by the Company. Willis Towers Watson has concurred with these assumptions and methods, except for the expected rate of return on plan assets selected as of January 1, 2021. Evaluation of the expected

return assumption was outside the scope of Willis Towers Watson's assignment and would have required substantial additional work that we were not engaged to perform. U.S. GAAP requires that each significant assumption "individually represent the best estimate of a particular future event."

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated by Willis Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

A summary of the assumptions, methods and sources of data and other information used is provided in Appendix A. Note that any subsequent changes in methods or assumptions for the January 1, 2021 measurement date will change the results shown in this report.

Certain models (as described in ASOP No. 56) were used in preparing the information presented herein. Further information on these models can be found in Appendix A.

Nature of actuarial calculations

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. Any rounding (or lack thereof) used for displaying numbers in this report is not intended to imply a degree of precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period), and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of such future measurements. Retiree group benefits models necessarily rely on the use of approximations and estimates, and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements.

See Basis for Valuation in Section 1 above for a discussion of any material events that have occurred after the valuation date that are not reflected in this valuation.

Limitations on use

This report is provided subject to the terms set out herein and in our engagement letter dated March 9, 2020 and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of the Company and its independent accountants in connection with our actuarial valuation of the other postretirement benefit plan as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. The Company may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require the Company to provide them this report, in which case the Company will use best efforts to notify Willis Towers Watson in advance of this distribution. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Willis Towers Watson's prior written consent. Willis Towers Watson accepts no responsibility for any consequences arising from any other party relying on this report or any advice relating to its contents.

Professional qualifications

The undersigned are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to other postretirement benefit. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Willis Towers Watson US LLC.



David Anderson, ASA, EA
Valuation Actuary
20-07493
September 2021



Barry Lichman, FSA, MAAA
Pricing Specialist
September 2021



Elizabeth Welborne, FSA, EA
Valuation Actuary
20-08703
September 2021

The Pricing Specialist is responsible for developing and/or determining the reasonableness of retiree welfare plan trend and participation assumptions as well as assumed per capita claims costs (including the aging/morbidity assumption if applicable). The Valuation Actuary is responsible for other aspects of the valuation (e.g., developing and/or reviewing the reasonableness of other valuation assumptions and methods, ensuring that the valuation model reasonably reflects the substantive plan, preparing demographic data, performing the valuation, implementing the appropriate accounting or funding calculations, etc.).

Postretirement Benefit Programs for Employees of El Paso Electric Company

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Section 2: Accounting exhibits

2.1 Balance sheet asset/(liability)

All monetary amounts shown in US Dollars

Measurement Date	01/01/2021	01/01/2020
A Development of Balance Sheet Asset/(Liability)¹		
1 Accumulated postretirement benefit obligation (APBO)	(51,909,127)	(60,760,057)
2 Fair value of plan assets (FVA)	45,596,843	41,810,927
3 Net balance sheet asset/(liability)	(6,312,284)	(18,949,130)
B Current and Noncurrent Classification²		
1 Noncurrent asset	0	0
2 Current liability	0	0
3 Noncurrent liability	(6,312,284)	(18,949,130)
4 Net balance sheet asset/(liability)	(6,312,284)	(18,949,130)
C Accumulated Other Comprehensive (Income)/Loss		
1 Net prior service cost/(credit)	(20,378,896)	(23,472,150)
2 Net loss/(gain)	(53,510,228)	(42,271,720)
3 Accumulated other comprehensive (income)/loss ³	(73,889,124)	(65,743,870)
D Assumptions and Dates		
1 Equivalent single discount rate for benefit obligations	2.76%	3.54%
2 Equivalent single discount rate for service cost	3.05%	3.86%
3 Equivalent single discount rate for interest cost	2.07%	3.09%
4 Census date	01/01/2021	01/01/2020

¹ Whether any amounts in this table that differ from those disclosed at year-end must be disclosed in subsequent interim financial statements should be determined.

² The current liability (for each underfunded plan) was measured as the discounted value of benefits expected to be paid over the next 12 months in excess of the fair value of the plan's assets at the measurement date.

³ Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

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Postretirement Benefit Programs for Employees of El Paso Electric Company

2.2 Changes in plan obligations and assets

All monetary amounts shown in US Dollars

Period Beginning	01/01/2021	01/01/2020
A Change in Accumulated Postretirement Benefit Obligation (APBO)		
1 APBO at beginning of prior fiscal year	60,760,057	60,234,831
2 Employer service cost	2,577,806	2,423,100
3 Interest cost	1,848,918	2,456,400
4 Actuarial loss/(gain)	(11,720,645)	(2,615,494)
5 Plan participants' contributions	1,362,391	1,281,866
6 Benefits paid from plan assets	(2,580,268)	(2,642,680)
7 Benefits paid from Company assets ¹	(177,869)	(176,331)
8 Medicare Part D subsidy	0	0
9 Administrative expenses paid ²	(161,263)	(181,435)
10 Plan amendments	0	0
11 Acquisitions/(divestitures)	0	0
12 Curtailments	0	0
13 Settlements	0	0
14 Special/contractual termination benefits	0	0
15 APBO at beginning of current fiscal year	51,909,127	60,760,057
B Change in Plan Assets		
1 Fair value of plan assets at beginning of prior fiscal year	41,810,927	36,287,094
2 Actual return on plan assets	4,700,056	6,636,082
3 Employer contributions	485,000	450,000
4 Plan participants' contributions	1,362,391	1,281,866
5 Benefits paid	(2,580,268)	(2,642,680)
6 Administrative expenses paid	(161,263)	(181,435)
7 Acquisitions/(divestitures)	0	0
8 Settlements	0	0
9 Fair value of plan assets at beginning of current fiscal year	45,596,843	41,810,927

¹ Net of retiree contributions.

² Only if future expenses are accrued in APBO through a load on service cost.

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2.3 Summary of net balances

All monetary amounts shown in US Dollars

A Summary of Prior Service Cost/(Credit) Bases

Measurement Date Established	Original Amount	Net Amount at 01/01/2021	Remaining Amortization Period	Amortization Amount in 2021	Effect of Curtailments	Other Events
10/03/2013	(97,440)	(22,350)	2.15609	(10,366)	0	0
12/31/2015	(823,872)	(408,197)	4.91005	(83,135)	0	0
10/01/2016	(32,697,299)	(19,948,349)	6.65000	(2,999,753)	0	0
Total		(20,378,896)		(3,093,254)	0	0

All monetary amounts shown in US Dollars

B Summary of Net Loss/(Gain) (see Appendix A for a description of amortization method)

Net Amount at 01/01/2021 ¹	Amortization Amount in 2021	Effect of Curtailments	Effect of Settlements	Other Events (Identify)
(53,510,228)	3,614,818	0	0	0

¹ Before any immediate recognition on the same date.

2.4 Development of plan assets for benefit cost

All monetary amounts shown in US Dollars

	Fair Value	Market-Related Value
A Reconciliation of Plan Assets		
1 Plan assets at 12/31/2019	41,810,927	41,810,927
2 Actual return on plan assets	4,700,056	4,700,056
3 Employer contributions	465,000	465,000
4 Plan participants' contributions	1,382,391	1,382,391
5 Benefits paid	(2,580,268)	(2,580,268)
6 Administrative expenses paid	(161,263)	(161,263)
7 Acquisitions/(divestitures)	0	0
8 Settlements	0	0
9 Plan assets at 12/31/2020	45,596,843	45,596,843
B Rate of Return on Invested Assets		
1 Weighted invested assets	41,353,857	
2 Rate of return	11.37%	
C Investment Loss/(Gain)		
1 Actual return	4,700,056	
2 Expected return	2,454,371	
3 Loss/(gain)	(2,245,685)	

Postretirement Benefit Programs for Employees of El Paso Electric Company

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2.5 Summary and comparison of benefit cost and cash flows

All monetary amounts shown in US Dollars

Fiscal Year Ending	12/31/2021	12/31/2020
A Total Benefit Cost		
1 Employer service cost ¹	3,498,330	2,577,806
2 Interest cost	1,051,207	1,848,918
3 Expected return on plan assets	(3,282,698)	(2,454,371)
4 Subtotal	1,266,839	1,972,353
5 Net prior service cost/(credit) amortization	(3,093,254)	(3,093,254)
6 Net loss/(gain) amortization	(3,614,818)	(2,727,822)
7 Subtotal	(6,708,072)	(5,821,078)
8 Net periodic postretirement benefit cost/(income)	(5,441,233)	(3,848,723)
9 Curtailment gain or loss	0	0
10 Settlement gain or loss	0	0
11 Special/contractual termination benefits	0	0
12 Total benefit cost	(5,441,233)	(3,848,723)
B Assumptions (See Appendix A for interim measurements, if any)		
1 Equivalent single discount rate for benefit obligations	2.76%	3.54%
2 Equivalent single discount rate for service cost	3.05%	3.86%
3 Equivalent single discount rate for interest cost	2.07%	3.09%
4 Expected long-term rate of return on plan assets	7.35%	6.00%
5 Census date	01/01/2021	01/01/2020
C Fair Value of Assets at Beginning of Year	45,596,843	41,810,927
D Cash Flows Net of Medicare Part D Subsidy		
	Expected	Actual
1 Employer contributions	485,000	485,000
2 Plan participants' contributions	739,168	1,382,391
3 Benefits paid from Company assets	0	177,869
4 Benefits paid from plan assets	2,707,957	2,580,288
E Amortization Period		
1 For gain/loss amortization, if applicable	13.36701	13.26909

¹ Includes administrative expenses equal to 0.4% of fair value of assets.

Section 3: Participant data

3.1 Summary of participant data

All monetary amounts shown in US Dollars

Census Date	01/01/2021	01/01/2020
A Participating Employees		
1 Number		
a Fully eligible	444	434
b Other	694	692
c Total participating employees	1,138	1,126
2 Average age	45.96	46.02
3 Average credited service	14.01	14.20
B Retirees, Surviving Spouses and Surviving Dependents		
Medical Plan		
a Retirees	398	388
b Dependents of Retirees	221	216
c Surviving Spouses	60	61
Life Insurance Plan		
a Number	546	534

Appendix A: Statement of actuarial assumptions, methods and data sources

Plan Sponsor

El Paso Electric Company

Statement of Assumptions

The assumptions disclosed in this Appendix are for the fiscal year 2021 benefit cost.

Assumptions and methods for other postretirement benefit cost purposes

Actuarial Assumptions and Methods — Other Postretirement Benefit Cost

Economic Assumptions

Discount rate

Equivalent single discount rate for benefit obligations	2.76%
Equivalent single discount rate for service cost	3.05%
Equivalent single discount rate for interest cost	2.07%

Annual rates of increase

■ Consumer Price Index (CPI)	2.40%
■ Return on plan assets	7.35% after-tax return

As required by the U.S. GAAP accounting standard, the yield curve reflecting returns on high quality corporate bonds (AA and AAA) is used to determine the obligations and service cost, and thus the net periodic benefit cost for the plan. Because these assumptions are required by the U.S. GAAP accounting standard, and reflect current market conditions (specifically, the market conditions as of the measurement date) they may from time to time be inconsistent with other economic assumptions used in the valuation, which may reflect both current economic conditions and assumed future conditions.

The return on assets shown above is gross of investment expenses and administrative expenses assumed to be paid from the trust.

Demographic and Other Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee is hired.
New or rehired employees	It was assumed there will be no new or rehired employees.
Benefit commencement dates	
■ Disability benefit	Upon disablement if participant is at least age 41, with age and service greater than 65
■ Retirement benefit	Upon termination of participant on or after eligibility

Participation Assumptions for Plan

	Current Retirees	Future Retirees
Participation	Based on valuation census data	85% of future retirees are assumed to elect medical coverage at retirement. Current retired plan participants are assumed to continue coverage.
Medical Plan Participation	Based on valuation census data	64% of future retirees are assumed to elect the \$1,000 Plan and 36% of future retirees are assumed to elect the \$2,250 Plan
Percentage married	Based on valuation census data	70% of males; 40% of females
Spouse age	Based on valuation census data	Wife 3 years younger than husband
Non-spouse dependent coverage	Not included in this valuation	Not included in this valuation

Demographic Assumptions

Mortality:

■ **Healthy mortality rates** Base Mortality Table (Male Table used for males; Female Table used for Females)

1. Base table: Pri-2012
2. Base mortality table year: 2012
3. Table type: White Collar for non-union participants, Blue-Collar for union participants, and Total Dataset for participants with an unknown union status
4. Healthy or Disabled: Healthy
5. Table weighting: Benefit
6. Blending of annuitants and non-annuitants: Separate rates for annuitants and non-annuitants
7. Blending of retirees and contingent annuitants: Retiree mortality is used for both retirees and contingent annuitants

Mortality Improvement Scale (Male Table used for males; Female Table used for Females)

1. Base scale: MP-2020
2. Projection Type: Generational

■ **Disabled life mortality rates** Base Mortality Table (Male Table used for males; Female Table used for Females)

1. Base table: Pri-2012
2. Base mortality table year: 2012
3. Table type: No Collar
4. Healthy or Disabled: Disabled
5. Blending of annuitants and non-annuitants: Single blended table of rates for annuitants and non-annuitants

Mortality Improvement Scale

1. Base scale: MP-2020
2. Projection Type: Generational

Disability rates

The rates at which participants are assumed to become disabled by age are shown below:

Percentage assumed to become disabled during the year

Attained Age	Percentage
45	0.45%
55	1.19%
65+	1.93%

Termination (not due to disability or retirement) rates The rates at which participants are assumed to terminate employment by age and gender are shown below:

Percentage assumed to leave during the year		
Attained Age	Males	Females
25	5.0%	6.0%
30	5.0%	6.0%
35	4.0%	6.0%
40	3.0%	6.0%
45	2.0%	4.0%
50	1.0%	2.0%
55+	0.0%	0.0%

Retirement Rates at which participants are assumed to retire by age and eligibility for an unreduced early retirement are shown below.

Percentage assumed to retire during the year			
Age	Final Average Pay		
	Reduced Early Retirement	Unreduced Retirement	Cash Balance
55	3.0%	5.0%	10.0%
56-59	3.0%	5.0%	10.0%
60	3.0%	10.0%	10.0%
61	3.0%	10.0%	10.0%
62	20.0%	20.0%	20.0%
63	10.0%	10.0%	10.0%
64	10.0%	10.0%	10.0%
65-69	25.0%	25.0%	25.0%
70	100.0%	100.0%	100.0%

Trend Rates

Health care cost trend rate: Plan trend rates are the annual rates of increase expected for benefits payable from the plan (both medical and prescription); these rates include Health Care Cost Trend plus any leveraging effect of plan design. Assumed plan trend rates are shown below:

Year	
2021	6.50%
2022	6.25%
2023	5.75%
2024	5.25%
2025	4.75%
2026+	4.50%

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Administrative expense inflation 4.50%

Participant contribution trend rates: Same as applicable medical plan trend rate

Per Capita Claims Costs

Pre-65 Average Annual Per Capita Claims Cost		
Age	\$1,000 Deductible	\$2,250 Deductible
50-54	\$7,583	\$6,841
55-59	\$9,105	\$8,215
60-64	\$11,268	\$10,166

Post-65 Average Annual Per Capita Claims Cost	
Age	
65-69	\$564
70-74	\$624
75-79	\$672
80-84	\$692
85-89	\$691
90-94	\$647
95+	\$606

Additional Assumptions

Administrative expenses Pre-65 per-adult administrative fee of \$1,568.73 annually based upon 2021 fees charged for medical administration (BCBSTX), pharmacy administration (Express Scripts), and stop loss premiums.

No administrative fees for the post-65 plan as administrative costs are built into the fully-insured premiums.

Assumed expenses of 0.4% of plan assets are added to the Service Cost component of expense.

Cash flow

■ **Decrement timing** The assumptions used are collectively called rounded middle of year (rounded MOY) decrement timing. Most events are assumed to occur at the middle of year during which the eligibility condition will be met or the start/end date will occur. For death and disability decrements, the rate applied is based on the participant's rounded age (nearest integer age) at the beginning of the year, to align with the methodology generally used to create those rate tables. For retirement and

withdrawal decrements: the age is generally the participant's rounded age at the middle of the year. Retiree medical claims costs are based on the nearest age at the beginning of the year, to align with how claims costs tables are typically developed.

- **Timing of benefit payments** Benefit payments are assumed to be made uniformly throughout the year and, on average, at mid-year.
- **Amount and timing of contributions** Contributions are assumed to be made throughout the year and, on average, at mid-year.

Methods – Other Postretirement Benefit Cost and Funded Position

Census date January 1, 2021

Measurement date January 1, 2021

Service cost and accumulated postretirement benefit obligation

Costs are determined using the Projected Unit Credit Cost Method. The annual service cost is equal to the present value of the portion of the projected benefit attributable to service during the upcoming year, and the Accumulated Postretirement Benefit Obligation (APBO) is equal to the present value of the portion of the projected benefit attributable to service before the measurement date. Service from hire date through the expected full eligibility date is counted in allocating costs.

APBO and service cost are measured by separately discounting the projected benefit payments underlying these measures, determined using the methodology described above, using the spot rates on the December 31, 2020 Willis Towers Watson RATE:Link 40:90 yield curve. Interest cost was measured by summing the individual interest costs associated with each future benefit payment underlying the APBO and service cost. These individual interest costs are developed by multiplying the present value of each benefit payment, discounted using the applicable spot rate on the yield curve relating to the future benefit payment, by that spot rate. Equivalent single discount rates that would produce the resulting benefit obligation, service cost and interest cost have been determined and disclosed.

Market-related value of assets

The fair value of assets is used to determine the expected investment return during the year.

Postretirement Benefit Programs for Employees of El Paso Electric Company

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Amortization of unamortized amounts:

- **Recognition of past service cost/(credit)** Amortization of net prior service cost/(credit) resulting from a plan change is included as a component of Net Periodic Postretirement Benefit Cost/(Income) in the year first recognized and every year thereafter until it is fully amortized. The annual amortization payment is determined in the first year as the increase in APBO due to the plan change divided by the average remaining service period to full eligibility for active participants expected to receive benefits under the plan.

However, when a plan change reduces the APBO, existing positive prior service costs are reduced or eliminated starting with the earliest established before a new prior service credit base is established.

- **Recognition of gains or losses** Amortization of the net gain or loss resulting from experience different from that assumed and from changes in assumptions (excluding asset gains and losses not yet reflected in market-related value) is included as a component of Net Periodic Postretirement Benefit Cost/(Income) for a year.

If, as of the beginning of the year, that net gain or loss exceeds 10% of the greater of the APBO and the market-related value of plan assets, the amortization is that excess divided by the average remaining service period of active plan participants.

Under this methodology, the gain/loss amounts recognized in AOCI are not expected to be fully recognized in benefit cost until the plan is terminated (or an earlier event, like a settlement, triggers recognition) because the average expected remaining service of active participants expected to benefit under the plan over which the amounts are amortized is redetermined each year and amounts that fall within the corridor described above are not amortized.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson has reviewed the plan provisions with the plan sponsor and, based on that review, is not aware of any significant benefits required to be valued that were not.

Sources of Data and Other Information

The plan sponsor furnished participant data as of 1/1/2021 and claims data as of 11/1/2020. Information on assets, contributions and plan provisions was supplied by the plan sponsor. Data and other information were reviewed for reasonableness and consistency, but no audit was performed.

Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation with El Paso Electric Company's tax advisors and auditors.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Discount rate(s)	As required by U.S. GAAP the discount rate methodology was chosen by the plan sponsor based on market information on the measurement date.
Expected return on plan assets	We understand that the expected return on assets assumption reflects the plan sponsor's estimate of future experience for trust asset returns, reflecting the plan's current asset allocation and any expected changes during the current plan year, current market conditions and the plan sponsor's expectations for future market conditions.
Administrative expenses	Administrative fees for the pre-65 plan are based upon 2021 medical (BCBSTX) and pharmacy (Express Scripts) fees charged to El Paso Electric as well as stop loss premiums. No administrative fees for the post-65 plan as administrative costs are built into the fully-insured premiums. Administrative expenses are estimated based on an assumption of past expenses paid from the trust assets as a percentage of held assets.
Claims cost trend rates	Assumed increases were chosen by the plan sponsor and, as required by U.S. GAAP they represent an estimate of future experience, informed by an analysis of recent plan experience, leading to select and ultimate assumed trend rates and reflecting the expected near-term effect of recently enacted plan changes.
Participant contribution trend rates	Assumed increases were chosen by the plan sponsor and, as required by U.S. GAAP they represent an estimate of future experience.
Per capita claims costs	Per capita claims costs were chosen by the plan sponsor to be the best estimate of the plan's per capita claims costs including

expenses in the plan year beginning on the measurement date (with any expected changes in future years reflected in the trend rate assumption).

Pre-65 medical and prescription drug per capita claim costs were developed based on historical claims, enrollment, and prescription drug rebate information for 2017-2019 as provided by BCBSTX and EnvisionRx for the El Paso Electric active and pre-65 retiree populations. Raw per capitas for each population were developed and adjusted for completion (i.e. conversion from a paid to incurred basis), and trend. Adjustments were made for historical stop loss reimbursements and plan design changes. Prescription drug costs were adjusted to reflect improved rebate terms under Express Scripts effective in 2020. Due to the small size of the pre-65 retiree population, the results were adjusted for credibility using demographically and plan-design adjusted active costs. Average per capitas were distributed by age using Willis Towers Watson's AgeDist model (2015 version).

Post-65 medical and prescription drug per capita claim costs were developed based upon the 2021 fully-insured premium charged by Humana. Average per capitas were distributed by age using Willis Towers Watson's AgeDist model (2015 version).

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions were selected by the plan sponsor and, as required by U.S. GAAP represent a best estimate of future experience.
Disabled Mortality	Assumptions used for accounting purposes were selected by the plan sponsor and, as required by U.S. GAAP represent a best estimate of future experience.
Termination	Termination rates were based on an experience study conducted in 2017, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Disability	Disability rates were based on historical experience with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

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Postretirement Benefit Programs for Employees of El Paso Electric Company

Retirement	Retirement rates were based on an experience study conducted from 2014 to 2017, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Participation:	
■ Participants	Assumed participation rates reflect historical experience as well as expectations for the future with periodic consideration of whether any conditions have changed that would be expected to produce different results in the future.
■ Covered spouses	Assumed coverage rates for spouses reflect historical experience as well as anticipated future experience.
Benefit commencement date:	Retirees are assumed to begin benefits immediately on eligible retirement because the plan does not permit a delay without forfeiting the right to participate.
Medical Plan Election	Assumed medical plan election rates for future retirees for the pre-65 retiree plan reflect current retiree enrollment.
Marital Assumptions:	The assumed age and percentage married is based on an experience study conducted in 2017, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Source of Prescribed Methods (Required for ASOP compliance, otherwise optional)

Accounting methods	The methods used for accounting purposes as described in Appendix A, including the method of determining the market-related value of plan assets, are "prescribed methods set by another party", as defined in the actuarial standards of practice (ASOPs). As required by U.S. GAAP, these methods were selected by the plan sponsor.
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Changes in Assumptions, Methods and Estimation Techniques

Change in assumptions since prior valuation	<p>The single equivalent APBO discount rate decreased from 3.54% as of January 1, 2020 to 2.76% as of January 1, 2021 to reflect the change in yields on high-quality corporate bonds.</p> <p>The single equivalent service cost discount rate decreased from 3.86% as of January 1, 2020 to 3.05% as of January 1, 2021 to reflect the change in yields on high-quality corporate bonds.</p>
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The single equivalent interest cost discount rate decreased from 3.09% as of January 1, 2020 to 2.07% as of January 1, 2021 to reflect the change in yields on high-quality corporate bonds.

The mortality improvement scale assumption was updated from Scale MP-2019 to Scale MP-2020.

Assumed expenses that are added to the Service Cost component of expense was updated from 0.5% to 0.4% of plan assets.

The per capita costs were updated for 2021 using the methodology described above. The claims cost trend rates were updated to better reflect recent experience and future expectations.

Retiree contribution amounts for 2021 were updated to reflect actual rates provided by El Paso Electric.

Medical plan participation for future retirees was updated based on the most recent data.

Change in methods since prior valuation

None.

Change in estimation techniques since prior valuation

None.

Model Descriptions and Disclosures in accordance with ASOP No. 56

Quantify

Quantify is the Willis Towers Watson centrally developed, tested and maintained Global actuarial valuation system. It is used to perform valuations of clients' benefit plans.

Quantify provides the ability to process data, calculate benefits and value benefit liabilities, develop results using applicable standards, and generate client reports.

Quantify parameters provide significant flexibility to model populations and plan designs. Various demographic, economic and benefit related assumptions exist for users to model multiple demographic and economic situations.

Plan liabilities are calculated based on standard actuarial techniques, developing actuarially reasonable results using the population and parameters entered. The calculation and presentation of liabilities in Quantify relies on the assumptions used and the reasonability of the assumptions selected.

Quantify incorporates standard liability methodologies that are intended to reasonably reflect a variety of economic or demographic conditions. The model itself does not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence.

Quantify is designed specifically for these purposes, and we know of no material limitations that would prevent the system from being suitable for these intended purposes. The actuaries signing this report have relied on the actuaries who develop, test and maintain this system, and have also performed a limited review of results to ensure that system parameters have been set appropriately and plan provisions coded correctly.

RateCalc/RATE:Link

RateCalc is used as one component in developing the single equivalent discount rate that reflects the characteristics of the client's employee benefit plan. It references a yield curve (often a RATE:Link curve) and expected plan benefit payments. The projected benefit payments from the client's plan are matched to the spot rates along the yield curve to determine their present values. A single equivalent discount rate is then solved for, which produces the same total present value as the spot rates.

RATE:Link is a methodology to develop spot rates to be used for liability and cost measurements related to employee benefit plans. The same core methodology is used to develop all RATE:Link curves. The RATE:Link process develops term structures of interest rates from corporate bond data for each covered geography (e.g., the U.S. for this valuation).

The construction of RATE:Link yield curves relies on bond data collected as of the measurement data.

Information regarding quoted bond prices, yields and other bond related data is from Bloomberg Finance L.P.

Published Demographic Tables

Certain demographic tables described above are standard published tables or are based on standard published tables from models developed by organizations with the requisite expertise

AgeDist

AgeDist is a spreadsheet tool that applies relative cost factors by age to average per capita costs (pre and post 65) and census weights to produce age-graded plan costs for pre- and post-65 populations. The average per capita costs and census weights are provided as inputs to the tool which is then combined with a morbidity curve to produce a set of weighted average age-related

costs that equal the average. The age-graded costs are used in the actuarial valuation.

The morbidity curve was developed from a broad set of claims data aggregated by age and blended and may not reflect your specific morbidity. The model does not evaluate the average per capita costs or census weights for reasonableness or consistency.

HealthMAPS

HealthMAPS includes rating manuals and software for medical, dental, Medicare Supplement, prescription drugs, state mandated benefits, specific stop loss and aggregate stop loss. The rating manuals and software enable the user to produce premium rates by type of coverage for specific benefit configurations. **HealthMAPS** is most commonly used as a tool for estimating the cost of medical and dental benefits or for estimating the effect of a change in plan provisions for use in other models and projections, most notably the Pricing and Underwriting Tool (PUT). **HealthMAPS** relies on underlying claims continuance tables developed from historic IBM MarketScan database data. This data includes national claims averages rather than client-specific information.

Pricing and Underwriting Tool (PUT)

The Pricing and Underwriting Tool (PUT) develops projected premium equivalent rates, employee contributions, and COBRA rates for self-insured employer health plans (medical, prescription drugs, dental, and vision). The tool develops rates by plan or in aggregate leveraging historic claims, enrollment, and plan design and administrative fee data for an employer. The model allows flexibility to incorporate plan design changes, seasonality, and multiple methods of estimating incurred claims amounts from paid claims data.

The models used for this analysis are designed specifically for these purposes and we know of no material limitations that would prevent the model from being suitable for these intended purposes.

We are not aware of any material inconsistencies among assumptions used in this work. The models themselves do not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence. The calculations and presentation of results relies on the assumptions used and the reasonability of the assumptions selected. The output of the models used in this analysis is considered reasonable based on the aggregation of assumptions used. However, a different set of results could also be considered reasonable based on a range of possible values used for each assumption.

The individuals signing or delivering this report have relied on other Willis Towers Watson employees and actuaries who develop, test and maintain each of the proprietary models used for this analysis and have also performed a limited review of assumptions and results to ensure that the models have

been set up appropriately and coded correctly. We have not relied on any external experts to develop, review, or validate the models used in this analysis.

Appendix B: Summary of principal other postretirement benefit plan

Substantive Plan Provisions

Covered employees	All employees
Participation date	Date of becoming a covered employee
Definitions	
Eligibility service	Years and months of service as a covered participant
Spouse	A spouse who was married to the participant both on the participant's retirement date and on the measurement date
Surviving spouse	A spouse who was married to the participant both on the participant's retirement date and on the date of his or her death
Dependent	A child or other legal dependent of the retiree, who was such before attaining the age of 18. Eligible dependents shall remain eligible dependents until they reach age 26.

Medical Benefits

Eligibility	Age 55 with 5 years of service, or disabled with at least age 41 and 65 years of age and service combined.
Dependent eligibility	Spouse, and children under age 26
Survivor eligibility	Eligibility continues beyond death of retiree as long as Surviving Spouse remains unmarried.
Retiree contributions	The tables below shows monthly retiree contributions for 2021:

Pre-65 monthly retiree contributions for 2021

	\$1,000 Deductible Plan	\$2,250 Deductible Plan
Retiree Only	\$324.13	\$280.03
Retiree + Spouse	\$586.42	\$506.64
Retiree + Child(ren)	\$487.80	\$421.43
Retiree + Family	\$777.56	\$671.85

Post-65 monthly retiree contributions for 2021

	1,000 Deductible Plan
Individual	\$25.47
Individual + One	\$50.94
Individual + Two	\$76.41
Individual + Three	\$101.88

Under age 65 benefits	See Pre-65 Plan Provisions table section of this appendix.
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Postretirement Benefit Programs for Employees of El Paso Electric Company

Age 65 and older benefits Medical and Pharmacy Benefits: Fully-insured Humana Medicare Advantage with Prescription Drug (MAPD) Plan. The 2021 monthly premium rate is \$51.98

Life Insurance Benefits

Eligibility Age 55 with 5 years of service, or disabled with at least age 41 and 65 years of age and service combined

Benefits Retirements prior to 1/1/2006:
One times salary at retirement with coverage reduction according to age as follows:

- Age 65 but less than age 70: 65%
- Age 70 but less than age 75: 50%
- Age 75 or older: 30%

Retirements 1/1/2006 and after: \$10,000

Future Plan Changes

No future plan changes were recognized in determining postretirement welfare cost.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year

Postretirement Benefit Programs for Employees of El Paso Electric Company

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Postretirement Medical Plan Provisions as of January 1, 2021 (Retirees – Pre Age 65)

Carrier Benefit Plan	Pre-65 Retiree BCBSTX – Medical			
	\$1,000 Deductible		\$2,250 Deductible	
	In-Network	Non-Network (1)	In-Network	Non-Network (1)
Lifetime Maximum	N/A		N/A	
Coinsurance	80%	60%	80%	60%
Individual Calendar Year Deductible (Individual / Family) (2)	\$1,000 / \$3,000	\$3,000 / \$9,000	\$2,250 / \$6,750	\$6,750 / \$20,250
Out of Pocket Maximum (Individual / Family) (2)	\$4,500 / \$9,000	\$13,500 / \$27,000	\$6,850 / \$13,700	\$20,550 / \$41,100
Hospital Inpatient	80%, no ded	60% after \$500 per admission ded	80%, no ded	60% after \$500 per admission ded
Emergency Room Facility (3) Accidental Injury & Emergency Care	100% after \$225 Copay		100% after \$300 Copay	
Emergency Room Physician Charges Accidental Injury & Emergency Care	80% after ded		80% after ded	
Emergency Room Facility (3) Non-Emergency Care	80% after \$375 Copay	60% after \$375 Copay	80% after \$450 Copay	60% after \$450 Copay
Emergency Room Physician Charges Non-Emergency Care	80% after ded	60% after ded	80% after ded	60% after ded
Urgent Care Center visit, including lab services (does not include X-Rays, surgical services and Certain Diagnostic Procedures)	\$50 copay	70% after ded	\$75 copay	70% after ded
X-Rays, Surgical Services and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies	80% after ded	60% after ded	80% after ded	60% after ded
Preventative Services	100% (\$0 copay)	70% after ded	100% (\$0 copay)	70% after ded
Physician Office Visit Copay including lab services (excludes X-rays, Surgery and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies) (4)	\$25 PCP / \$40 Spec	70% after ded	\$30 PCP / \$50 Spec	70% after ded
X-Rays, Surgical Services and Certain Diagnostic Procedures; such as Bone Scan, Cardiac Stress Test, CT-Scan, Ultrasound, MRI, Myelogram, PET Scan, surgical procedures and all other services and supplies	80% after ded	60% after ded	80% after ded	60% after ded

September 2021

WillisTowersWatson 

Postretirement Benefit Programs for Employees of El Paso Electric Company

Carrier Benefit Plan	Pre-65 Retiree BCBSTX – Medical			
	\$1,000 Deductible		\$2,250 Deductible	
	In-Network	Non-Network (1)	In-Network	Non-Network (1)
Outpatient Lab	100% (\$0 copay)	70% after ded	100% (\$0 copay)	70% after ded
(1) All out-of-network benefits listed are based on the carrier's allowable charges. Charges exceeding this amount will be the member's responsibility.				
(2) Out of Network Deductible and Out of Pocket Maximum will NOT apply toward Network Deductible & Out of Pocket Maximum				
(3) Copay waived if admitted to a network hospital				
(4) X-Rays, Surgical Services and Advanced Imaging PET, MRI, CAT, SPECT subject to deductible and coinsurance				

Carrier	Pre-65 Retiree Express Scripts - Pharmacy			
	In-Network	Non-Network	In-Network	Non-Network
Prescription Benefit – up to 30-day supply (1)	\$20 / \$50 / \$70	N/A	\$25 / \$55 / \$75	N/A
Mail Order Prescriptions – up to 90-day supply (1)	\$45 / \$120 / \$170	N/A	\$50 / \$125 / \$175	N/A
Specialty Medications – up to 30-day supply (1)	\$65 / \$90 / \$140	N/A	\$65 / \$90 / \$140	N/A
(1) (Generic / Preferred Brand Name / Non-Preferred Brand Name)				

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE G-2.2
 ATTACHMENT A
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Benefits Paid from Corporate Assets

		G-2.2 Attachment A		G-2.2 Attachment A		G-2.2 Attachment A		G-2.2 Attachment A		G-2.2 Attachment A		G-2.2 Attachment A	
		Page Number	202401	Page Number	202402	Page Number	202403	Page Number	202404	Page Number	202405	Page Number	202406
EPE KEY	Benefit Payments	177	\$ 1,295	180	\$ 2,788	183	\$ 21,346	186	\$ 1,552	189	\$ 5,881	194	\$ 1,356
	Admin Fee	177	443	180	226	183	226	186	75				
LIFE	Benefit Payments	178	9,572	181	6,394	184	3,203	187	2,508	190	3,037	193	3,037
	Admin Fee												
VEBA	Benefit Payments	179	20,214	182	5,507	185	39,148	188	24,818	191	151,106	193	16,309
	Admin Fee	179	924	182	500	185	465	188	783			193	401
			\$ 32,448		\$ 15,414		\$ 64,388		\$ 29,736		\$ 160,024		\$ 21,103

		G-2.2 Attachment A		G-2.2 Attachment A		G-2.2 Attachment A		G-2.2 Attachment A		G-2.2 Attachment A		G-2.2 Attachment A	
		Page Number	202407	Page Number	202408	Page Number	202409	Page Number	202310	Page Number	202311	Page Number	202312
EPE KEY	Benefit Payments	197	\$ 2,239	198	\$ 5,825	201	\$ 1,958	204	\$ 4,993	207	\$ 4,196	210	\$ 3,218
	Admin Fee	197	452	198	301	201	351			207	885		
LIFE	Benefit Payments	195	3,037			202	3,037	205	3,291	208	3,291	211	3,291
	Admin Fee												
VEBA	Benefit Payments	196	17,996	200	9,491	203	13,590	206	17,344	209	4,780	212	5,824
	Admin Fee	196	1,844	200	301	203	3,350	206	71	209	1,919	212	51
			\$ 25,568		\$ 16,019		\$ 22,288		\$ 25,699		\$ 15,071		\$ 12,385

\$ 440,142

TEST YEAR Benefit Paid from Corporate Assets

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE G-2.2
 ATTACHMENT A
 Page 177 of 212

EPEX MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE KEY EM 401K RETIREE HEALTH
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 JANUARY 1, 2024 TO JANUARY 31, 2024

PAGE: 1
 AS-OF DATE: 31JAN24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	0.00 ***	
SECURITIES PURCHASED		3,391.35
EQUITY - PRINCIPAL 3,391.35 (-)		
SECURITIES SOLD	1,493.60	
EQUITY - PRINCIPAL 1,493.60 (+)		
MAJORITY	0.00	
DIVIDENDS RECEIVED	25.02	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYEE CONTRIBUTIONS	3,144.96	
BENEFIT PAYMENT - CLAIM PAYMENTS		1,295.28
EMPLOYER CONTRIBUTIONS	465.79	
ADMIN FEE - EXPENSE		442.74
01/24/24 -- LEDGER ENDING BALANCE --	0.00 ***	

RUN DATE = 12FEB24

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE G-2.2
 ATTACHMENT A
 Page 178 of 212

EPEE MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE POST-RET LIFE INS TR FM BY
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 JANUARY 1, 2024 TO JANUARY 31, 2024

PAGE: 1
 AS-OF DATE: 31JAN24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	0.00 ***	
SECURITIES PURCHASED		3,190.62
EQUITY - PRINCIPAL 3,190.62 (-)		
SECURITIES SOLD	3,190.62	
EQUITY - PRINCIPAL 3,190.62 (+)		
MATURITY	0.00	
DIVIDENDS RECEIVED	0.00	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYER CONTRIBUTIONS	6,381.24	
BENEFIT PAYMENT - LIFE INSURANCE PREMIUM		9,571.86
01/18/24 -- LEDGER ENDING BALANCE --		3,190.62 ***

RUN DATE = 12FEB24

EPEY MONTHLY
 US DOLLAR
 ACCOUNT: 11000/000

EPE VERA TRUST - KEY EMP PMTS
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 JANUARY 1, 2024 TO JANUARY 31, 2024

PAGE: 1
 AS-OF DATE: 31JAN24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	0.00 ***	
SECURITIES PURCHASED		9,773.73
EQUITY - PRINCIPAL 9,773.73 (-)		
SECURITIES SOLD	13,708.57	
EQUITY - PRINCIPAL 13,708.57 (+)		
MAJORITY	0.00	
DIVIDENDS RECEIVED	21.98	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYEE CONTRIBUTIONS	5,297.83	
BENEFIT PAYMENT - CLAIM PAYMENTS		20,213.97
ADMIN FEE - EXPENSE		923.82
EMPLOYER CONTRIBUTIONS	11,883.14	
01/31/24 -- LEDGER ENDING BALANCE --	0.00 ***	

RUN DATE = 12FEB24

EPEX MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE KEY EM 401K RETIREE HEALTH
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 FEBRUARY 1, 2024 TO FEBRUARY 29, 2024

PAGE: 1
 AS-OF DATE: 29FEB24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	0.00 ***	
SECURITIES PURCHASED		6,471.84
EQUITY - PRINCIPAL 6,471.84 (-)		
SECURITIES SOLD	3,013.61	
EQUITY - PRINCIPAL 3,013.61 (+)		
MAFURITY	0.00	
DIVIDENDS RECEIVED	36.20	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYEE CONTRIBUTIONS	2,915.76	
EMPLOYER CONTRIBUTIONS	21,845.28	
BENEFIT PAYMENT - CLAIM PAYMENTS		2,787.74
ADMIN FEE - EXPENSE		225.87
02/29/24 -- LEDGER ENDING BALANCE --	18,325.40 ***	

RUN DATE = 11MAR24

EPEE MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE POST-RET LIFE INS TR FM BY
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 FEBRUARY 1, 2024 TO FEBRUARY 29, 2024

PAGE: 1
 AS-OF DATE: 29FEB24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --		3,190.62 ***
SECURITIES PURCHASED		3,203.38
EQUITY - PRINCIPAL 3,203.36 (-)		
SECURITIES SOLD	3,203.38	
EQUITY - PRINCIPAL 3,203.38 (+)		
MATURITY		0.00
DIVIDENDS RECEIVED	0.46	
INTEREST RECEIVED		0.00
PAYDOWN RECEIVED		0.00
PAYUP RECEIVED		0.00
DIVIDEND TAX RECLAIM RECEIVED		0.00
INTEREST TAX RECLAIM RECEIVED		0.00
EMPLOYER CONTRIBUTIONS	6,393.54	
BENEFIT PAYMENT - LIFE INSURANCE PREMIUM		6,393.54
02/09/24 -- LEDGER ENDING BALANCE --		3,190.16 ***

RUN DATE = 11MAR24

EPEY MONTHLY		EPE VERA TRUST - KEY EMP PMTS		PAGE: 1	
USD		STATE STREET GLOBAL ADVISORS		DATE: 29FEB24	
ACCOUNT: 11000/000		BASE EQUIVALENT CASH SUMMARY BY CURRENCY			
US DOLLAR		FEBRUARY 1, 2024 TO FEBRUARY 29, 2024			
DESCRIPTION		RECEIVED	DISBURSED		
		(+)	(-)		
-- BEGINNING BALANCE --		0.00 ***			
SECURITIES PURCHASED			15,636.98		
EQUITY - PRINCIPAL		15,636.98 (-)			
SECURITIES SOLD		5,992.88			
EQUITY - PRINCIPAL		5,992.88 (+)			
MATURITY		0.00			
DIVIDENDS RECEIVED		14.08			
INTEREST RECEIVED		0.00			
PAYDOWN RECEIVED		0.00			
PAYUP RECEIVED		0.00			
DIVIDEND TAX RECLAIM RECEIVED		0.00			
INTEREST TAX RECLAIM RECEIVED		0.00			
EMPLOYEE CONTRIBUTIONS		4,181.27			
EMPLOYER CONTRIBUTIONS		29,159.90			
ADMIN FEE - EXPENSE			500.00		
BENEFIT PAYMENT - CLAIM PAYMEN			5,506.88		
-- LEDGER ENDING BALANCE --		17,704.19 ***			
TOTAL CURRENCY GAIN ON SETTLEMENT		0.00			
TOTAL CURRENCY GAIN ON DISPOSAL		0.00			
TOTAL CURRENCY GAIN ON INCOME RECEIPT		0.00			

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE G-2.2
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EPEX MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE KEY EM 401K RETIREE HEALTH
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 MARCH 1, 2024 TO MARCH 31, 2024

PAGE: 1
 AS-OF DATE: 31MAR24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	18,325.40 ***	
SECURITIES PURCHASED		20,332.83
EQUITY - PRINCIPAL	20,332.83 (-)	
SECURITIES SOLD	17,790.86	
EQUITY - PRINCIPAL	17,790.86 (+)	
MAJORITY	0.00	
DIVIDENDS RECEIVED	45.54	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
BENEFIT PAYMENT - CLAIM PAYMENTS		21,345.58
EMPLOYEE CONTRIBUTIONS	2,915.76	
EMPLOYER CONTRIBUTIONS	2,914.00	
ADMIN FEE - EXPENSE		225.87
03/28/24 -- LEDGER ENDING BALANCE --	87.28 ***	

RUN DATE = 11APR24

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE G-2.2
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EPEE MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE POST-RET LIFE INS TR EM BY
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 MARCH 1, 2024 TO MARCH 31, 2024

PAGE: 1
 AS-OF DATE: 31MAR24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --		3,190.16 ***
SECURITIES PURCHASED		0.00
SECURITIES SOLD		0.00
MATURITY		0.00
DIVIDENDS RECEIVED	0.46	
INTEREST RECEIVED		0.00
PAYDOWN RECEIVED		0.00
PAYUP RECEIVED		0.00
DIVIDEND TAX RECLAIM RECEIVED		0.00
INTEREST TAX RECLAIM RECEIVED		0.00
BENEFIT PAYMENT - LIFE INSURANCE PREMIUM		3,202.92
EMPLOYER CONTRIBUTIONS	3,202.92	
03/28/24 -- LEDGER ENDING BALANCE --		3,189.70 ***

RUN DATE = 11APR24

EPEY MONTHLY		EPE VERA TRUST - KEY EMP PMTS		PAGE: 1
USD		STATE STREET GLOBAL ADVISORS		DATE: 31MAR24
ACCOUNT: 11000/000		BASE EQUIVALENT CASH SUMMARY BY CURRENCY		
US DOLLAR		MARCH 1, 2024 TO MARCH 31, 2024		
DESCRIPTION		RECEIVED	DISBURSED	
		(+)	(-)	
-- BEGINNING BALANCE --		17,704.19 ***		
SECURITIES PURCHASED			24,710.36	
EQUITY - PRINCIPAL		24,710.36 (-)		
SECURITIES SOLD		20,761.55		
EQUITY - PRINCIPAL		20,761.55 (+)		
MATURITY		0.00		
DIVIDENDS RECEIVED		33.35		
INTEREST RECEIVED		0.00		
PAYDOWN RECEIVED		0.00		
PAYUP RECEIVED		0.00		
DIVIDEND TAX RECLAIM RECEIVED		0.00		
INTEREST TAX RECLAIM RECEIVED		0.00		
BENEFIT PAYMENT - CLAIM PAYMENT			39,148.09	
EMPLOYEE CONTRIBUTIONS		4,118.87		
EMPLOYER CONTRIBUTIONS		28,194.02		
ADMIN FEE - EXPENSE			465.12	
-- LEDGER ENDING BALANCE --		6,488.41 ***		
TOTAL CURRENCY GAIN ON SETTLEMENT		0.00		
TOTAL CURRENCY GAIN ON DISPOSAL		0.00		
TOTAL CURRENCY GAIN ON INCOME RECEIPT		0.00		

EPEX MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE KEY EM 401K RETIREE HEALTH
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 APRIL 1, 2024 TO APRIL 30, 2024

PAGE: 1
 AS-OF DATE: 30APR24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	87.28 ***	
SECURITIES PURCHASED		4,324.63
EQUITY - PRINCIPAL 4,324.63 (-)		
SECURITIES SOLD	1,191.55	
EQUITY - PRINCIPAL 1,191.55 (+)		
MATURITY	0.00	
DIVIDENDS RECEIVED	68.47	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYEE CONTRIBUTIONS	2,915.76	
EMPLOYER CONTRIBUTIONS	1,688.79	
BENEFIT PAYMENT - CLAIM PAYMENTS		1,551.93
ADMIN FEE - EXPENSE		75.29
04/30/24 -- LEDGER ENDING BALANCE --	0.00 ***	

RUN DATE = 13MAY24

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE G-2.2
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EPEE MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE POST-RET LIFE INS TR EM FY
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 APRIL 1, 2024 TO APRIL 30, 2024

PAGE: 1
 AS-OF DATE: 30APR24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --		3,189.70 ***
SECURITIES PURCHASED		0.00
SECURITIES SOLD		0.00
MATURITY		0.00
DIVIDENDS RECEIVED		0.00
INTEREST RECEIVED		0.00
PAYDOWN RECEIVED		0.00
PAYUP RECEIVED		0.00
DIVIDEND TAX RECLAIM RECEIVED		0.00
INTEREST TAX RECLAIM RECEIVED		0.00
EMPLOYER CONTRIBUTIONS	2,507.97	
BENEFIT PAYMENT - LIFE INSURANCE PREMIUM		2,507.97
04/29/24 -- LEDGER ENDING BALANCE --		3,189.70 ***

RUN DATE = 13MAY24

EPEY MONTHLY
 US DOLLAR
 ACCOUNT: 11000/000

EPE VERA TRUST - KEY EMP PMTS
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 APRIL 1, 2024 TO APRIL 30, 2024

PAGE: 1
 AS-OF DATE: 30APR24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	6,488.41 ***	
SECURITIES PURCHASED		17,574.78
EQUITY - PRINCIPAL 17,574.76 (-)		
SECURITIES SOLD	7,556.46	
EQUITY - PRINCIPAL 7,556.46 (+)		
MATURITY	0.00	
DIVIDENDS RECEIVED	65.36	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYEE CONTRIBUTIONS	4,118.87	
EMPLOYER CONTRIBUTIONS	24,946.43	
BENEFIT PAYMENT - CLAIM PAYMENTS		24,817.83
ADMIN FEE - EXPENSE		782.92
04/30/24 -- LEDGER ENDING BALANCE --	0.00 ***	

RUN DATE = 13MAY24

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

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EPEX MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE KEY EM 401K RETIREE HEALTH
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 MAY 1, 2024 TO MAY 31, 2024

PAGE: 1
 AS-OF DATE: 31MAY24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	0.00 ***	
SECURITIES PURCHASED		8,778.95
EQUITY - PRINCIPAL 8,778.95 (-)		
SECURITIES SOLD	5,880.58	
EQUITY - PRINCIPAL 5,880.58 (+)		
MAJORITY	0.00	
DIVIDENDS RECEIVED	73.24	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYEE CONTRIBUTIONS	2,915.76	
EMPLOYER CONTRIBUTIONS	6,573.61	
BENEFIT PAYMENT - CLAIM PAYMENTS		5,880.58
05/31/24 -- LEDGER ENDING BALANCE --	783.66 ***	

RUN DATE = 13JUN24

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

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EPEX MONTHLY EPE POST-RET LIFE INS TR EM BY PAGE: 1
 US DOLLAR STATE STREET GLOBAL ADVISORS AS-OF DATE: 31MAY24
 ACCOUNT: 12000/000 CASH TRANSACTION SUMMARY STATEMENT REPORT
 MAY 1, 2024 TO MAY 31, 2024

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --		3,189.70 ***
SECURITIES PURCHASED		1.84
EQUITY - PRINCIPAL 1.84 (-)		
SECURITIES SOLD	0.92	
EQUITY - PRINCIPAL 0.92 (+)		
MATURITY		0.00
DIVIDENDS RECEIVED		0.00
INTEREST RECEIVED		0.00
PAYDOWN RECEIVED		0.00
PAYUP RECEIVED		0.00
DIVIDEND TAX RECLAIM RECEIVED		0.00
INTEREST TAX RECLAIM RECEIVED		0.00
EMPLOYER CONTRIBUTIONS	6,228.11	
BENEFIT PAYMENT - LIFE INSURANCE PREMIUM		3,037.49
05/22/24 -- LEDGER ENDING BALANCE --	0.00 ***	

RUN DATE = 13JUN24

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

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EPEY MONTHLY
 US DOLLAR
 ACCOUNT: 11000/000

EPE VERA TRUST - KEY EMP PMTS
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 MAY 1, 2024 TO MAY 31, 2024

PAGE: 1
 AS-OF DATE: 31MAY24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	0.00 ***	
SECURITIES PURCHASED		40,343.06
EQUITY - PRINCIPAL 40,343.06 (-)		
SECURITIES SOLD	29,596.55	
EQUITY - PRINCIPAL 29,596.55 (+)		
MAJORITY	0.00	
DIVIDENDS RECEIVED	96.28	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYER CONTRIBUTIONS	158,032.79	
EMPLOYEE CONTRIBUTIONS	3,723.16	
BENEFIT PAYMENT - CLAIM PAYMENTS		151,105.72
05/30/24 -- LEDGER ENDING BALANCE --	0.00 ***	

RUN DATE = 13JUN24

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

SCHEDULE G-2.2
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EPEE MONTHLY EPE POST-RET LIFE INS TR EM BY PAGE: 1
 US DOLLAR STATE STREET GLOBAL ADVISORS AS-OF DATE: 30JUN24
 ACCOUNT: 12000/000 CASH TRANSACTION SUMMARY STATEMENT REPORT
 JUNE 1, 2024 TO JUNE 30, 2024

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	0.00 ***	
SECURITIES PURCHASED	0.00	
SECURITIES SOLD	0.92	
EQUITY - PRINCIPAL	0.92 (+)	
MATURITY	0.00	
DIVIDENDS RECEIVED	0.00	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
BENEFIT PAYMENT - LIFE INSURANCE PREMIUM		3,037.49
06/17/24 -- LEDGER ENDING BALANCE --		3,036.57 ***

RUN DATE = 15JUL24

EPEY MONTHLY		EPE VERA TRUST - KEY EMP PMTS		PAGE: 1	
USD		STATE STREET GLOBAL ADVISORS		DATE: 30JUN24	
ACCOUNT: 11000/000		BASE EQUIVALENT CASH SUMMARY BY CURRENCY			
US DOLLAR		JUNE 1, 2024 TO JUNE 30, 2024			
DESCRIPTION		RECEIVED	DISBURSED		
		(+)	(-)		
-- BEGINNING BALANCE --		0.00 ***			
SECURITIES PURCHASED			7,355.20		
EQUITY - PRINCIPAL		7,355.20 (-)			
SECURITIES SOLD		7,317.65			
EQUITY - PRINCIPAL		7,317.65 (+)			
MATURITY		0.00			
DIVIDENDS RECEIVED		101.80			
INTEREST RECEIVED		0.00			
PAYDOWN RECEIVED		0.00			
PAYUP RECEIVED		0.00			
DIVIDEND TAX RECLAIM RECEIVED		0.00			
INTEREST TAX RECLAIM RECEIVED		0.00			
EMPLOYEE CONTRIBUTIONS		3,497.46			
BENEFIT PAYMENT - CLAIM PAYMENT			16,309.25		
EMPLOYER CONTRIBUTIONS		13,446.11			
ADMIN FEE - EXPENSE			400.90		
-- LEDGER ENDING BALANCE --		297.67 ***			
TOTAL CURRENCY GAIN ON SETTLEMENT		0.00			
TOTAL CURRENCY GAIN ON DISPOSAL		0.00			
TOTAL CURRENCY GAIN ON INCOME RECEIPT		0.00			

EL PASO ELECTRIC COMPANY
 2025 TEXAS RATE CASE FILING
 SCHEDULE G-2.2: POSTRETIREMENT BENEFITS OTHER THAN PENSION
 SPONSOR: STEVEN SIERRA
 PREPARER: EN LI
 FOR THE TEST YEAR ENDED SEPTEMBER 30, 2024

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EPEX MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE KEY EM 401K RETIREE HEALTH
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 JUNE 1, 2024 TO JUNE 30, 2024

PAGE: 1
 AS-OF DATE: 30JUN24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	783.66 ***	
SECURITIES PURCHASED		3,381.64
EQUITY - PRINCIPAL 3,381.64 (-)		
SECURITIES SOLD	433.93	
EQUITY - PRINCIPAL 433.93 (+)		
MAFURITY	0.00	
DIVIDENDS RECEIVED	90.17	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYEE CONTRIBUTIONS	2,915.76	
BENEFIT PAYMENT - CLAIM PAYMENTS		1,355.58
EMPLOYER CONTRIBUTIONS	1,435.88	
06/30/24 -- LEDGER ENDING BALANCE --	922.18 ***	

RUN DATE = 15JUL24

EPEX MONTHLY		EPE POST-RET LIFE INS TR EM PY		PAGE: 1
USD		STATE STREET GLOBAL ADVISORS		DATE: 31JUL24
		CONSOLIDATED BASE EQUIVALENT CASH SUMMARY		
		JULY 1, 2024 TO JULY 31, 2024		
DESCRIPTION		RECEIVED	DISBURSED	
		(+)	(-)	
-- BEGINNING BALANCE --			3,036.57 ***	
SECURITIES PURCHASED			.92	
EQUITY - PRINCIPAL		0.92 (-)		
SECURITIES SOLD			0.00	
MATURITY			0.00	
DIVIDENDS RECEIVED			0.00	
INTEREST RECEIVED			0.00	
PAYDOWN RECEIVED			0.00	
PAYUP RECEIVED			0.00	
DIVIDEND TAX RECLAIM RECEIVED			0.00	
INTEREST TAX RECLAIM RECEIVED			0.00	
EMPLOYER CONTRIBUTIONS		6,074.98		
BENEFIT PAYMENT - LIFE INSURAN			3,037.49	
-- LEDGER ENDING BALANCE --		0.00 ***		
TOTAL CURRENCY GAIN ON SETTLEMENT			0.00	
TOTAL CURRENCY GAIN ON DISPOSAL			0.00	
TOTAL CURRENCY GAIN ON RECEIPT			0.00	

RUN DATE = 16AUG24

EPEY MONTHLY		EPE VERA TRUST - KEY EMP PMTS		PAGE: 1	
USD		STATE STREET GLOBAL ADVISORS		DATE: 31JUL24	
ACCOUNT: 11000/000		BASE EQUIVALENT CASH SUMMARY BY CURRENCY			
US DOLLAR		JULY 1, 2024 TO JULY 31, 2024			
DESCRIPTION		RECEIVED	DISBURSED		
		(+)	(-)		
-- BEGINNING BALANCE --		297.67 ***			
SECURITIES PURCHASED			23,149.14		
EQUITY - PRINCIPAL		23,149.14 (-)			
SECURITIES SOLD		19,223.05			
EQUITY - PRINCIPAL		19,223.05 (+)			
MATURITY		0.00			
DIVIDENDS RECEIVED		152.54			
INTEREST RECEIVED		0.00			
PAYDOWN RECEIVED		0.00			
PAYUP RECEIVED		0.00			
DIVIDEND TAX RECLAIM RECEIVED		0.00			
INTEREST TAX RECLAIM RECEIVED		0.00			
EMPLOYER CONTRIBUTIONS		16,570.49			
BENEFIT PAYMENT - CLAIM PAYMENT			17,996.03		
EMPLOYEE CONTRIBUTIONS		6,745.32			
ADMIN FEE - EXPENSE			1,843.90		
-- LEDGER ENDING BALANCE --		0.00 ***			
TOTAL CURRENCY GAIN ON SETTLEMENT		0.00			
TOTAL CURRENCY GAIN ON DISPOSAL		0.00			
TOTAL CURRENCY GAIN ON INCOME RECEIPT		0.00			

EPEX MONTHLY
 US DOLLAR
 ACCOUNT: 12000/000

EPE KEY EM 401K RETIREE HEALTH
 STATE STREET GLOBAL ADVISORS
 CASH TRANSACTION SUMMARY STATEMENT REPORT
 JULY 1, 2024 TO JULY 31, 2024

PAGE: 1
 AS-OF DATE: 31JUL24

DESCRIPTION	RECEIVED (+)	DISBURSED (-)
-- BEGINNING BALANCE --	922.18 ***	
SECURITIES PURCHASED		3,931.92
EQUITY - PRINCIPAL 3,931.92 (-)		
SECURITIES SOLD	1,359.07	
EQUITY - PRINCIPAL 1,359.07 (+)		
MAJORITY	0.00	
DIVIDENDS RECEIVED	98.34	
INTEREST RECEIVED	0.00	
PAYDOWN RECEIVED	0.00	
PAYUP RECEIVED	0.00	
DIVIDEND TAX RECLAIM RECEIVED	0.00	
INTEREST TAX RECLAIM RECEIVED	0.00	
EMPLOYER CONTRIBUTIONS	1,927.35	
BENEFIT PAYMENT - CLAIM PAYMENTS		2,239.04
ADMIN FEE - EXPENSE		451.74
EMPLOYEE CONTRIBUTIONS	2,915.76	
07/29/24 -- LEDGER ENDING BALANCE --	0.00 ***	

RUN DATE = 16AUG24

EPEX MONTHLY		EPE KEY EM 401K RETIREE HEALTH		PAGE: 1
USD		STATE STREET GLOBAL ADVISORS		DATE: 31AUG24
ACCOUNT: 12000/000		BASE EQUIVALENT CASH SUMMARY BY CURRENCY		
US DOLLAR		AUGUST 1, 2024 TO AUGUST 31, 2024		
DESCRIPTION		RECEIVED	DISBURSED	
		(+)	(-)	
-- BEGINNING BALANCE --		0.00 ***		
SECURITIES PURCHASED			6,591.01	
EQUITY - PRINCIPAL		6,591.01 (-)		
SECURITIES SOLD		5,319.26		
EQUITY - PRINCIPAL		5,319.26 (+)		
MATURITY		0.00		
DIVIDENDS RECEIVED		115.76		
INTEREST RECEIVED		0.00		
PAYDOWN RECEIVED		0.00		
PAYUP RECEIVED		0.00		
DIVIDEND TAX RECLAIM RECEIVED		0.00		
INTEREST TAX RECLAIM RECEIVED		0.00		
EMPLOYEE CONTRIBUTIONS		2,915.76		
EMPLOYER CONTRIBUTIONS		6,555.35		
BENEFIT PAYMENT - CLAIM PAYMEN			5,925.39	
ADMIN FEE - EXPENSE			301.16	
-- LEDGER ENDING BALANCE --		2,088.57 ***		
TOTAL CURRENCY GAIN ON SETTLEMENT		0.00		
TOTAL CURRENCY GAIN ON DISPOSAL		0.00		
TOTAL CURRENCY GAIN ON INCOME RECEIPT		0.00		