THIS FILING IS		
Item 1: [X] An Initial (Original) Submission	OR [ ]	Resubmission No. ____

Form 1 Approved
OMB No.1902-0021
(Expires 12/31/2019)

Form 1-F Approved
OMB No.1902-0029
(Expires 12/31/2019)

Form 3-Q Approved
OMB No.1902-0205
(Expires 12/31/2019)

FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

Exact Legal Name of Respondent (Company)	**Year/Period of Report**
El Paso Electric Company	**End of** 2016/Q4

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q)is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

(1) one million megawatt hours of total annual sales,
(2) 100 megawatt hours of annual sales for resale,
(3) 500 megawatt hours of annual power exchanges delivered, or
(4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: http://www.ferc.gov/docs-filing/forms/form-1/elec-subm-soft.asp. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

Reference Schedules	Pages
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of ___________ , we have also reviewed schedules ___________________of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

(f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at http://www.ferc.gov/help/how-to.asp.

(g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from http://www.ferc.gov/docs-filing/forms/form-1/form-1.pdf and http://www.ferc.gov/docs-filing/forms.asp#3Q-gas .

IV. When to Submit:

FERC Forms 1 and 3-Q must be filed by the following schedule:

a) FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and

b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.

III Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.

V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).

VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

VII For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.

VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and" firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and “firm” means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) ’Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power; ......

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be field..."

General Penalties

The Commission may assess up to $1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION

01 Exact Legal Name of Respondent El Paso Electric Company	02 Year/Period of Report End of 2016/Q4
03 Previous Name and Date of Change *(if name changed during year)* / /	
04 Address of Principal Office at End of Period *(Street, City, State, Zip Code)* P.O. Box 982, El Paso, TX 79960-0982; 100 North Stanton, El Paso, TX 79901	
05 Name of Contact Person Russell G. Gibson	06 Title of Contact Person Vice President & Controller
07 Address of Contact Person *(Street, City, State, Zip Code)* P.O. Box 982, El Paso, TX 79960-0982; 100 North Stanton, El Paso, TX 79901	

08 Telephone of Contact Person, *Including Area Code* (915) 351-4222	09 This Report Is (1) [X] An Original (2) [ ] A Resubmission	10 Date of Report *(Mo, Da, Yr)* / /

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name /s/ Russell G. Gibson 02 Title Vice President & Controller	03 Signature Russell G. Gibson /s/ Russell G. Gibson	04 Date Signed *(Mo, Da, Yr)* 04/10/2017

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Other Deferred Credits	269	
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	Not Applicable
39	Accumulated Deferred Income Taxes-Other Property	274-275	
40	Accumulated Deferred Income Taxes-Other	276-277	
41	Other Regulatory Liabilities	278	
42	Electric Operating Revenues	300-301	
43	Regional Transmission Service Revenues (Account 457.1)	302	Not Applicable
44	Sales of Electricity by Rate Schedules	304	
45	Sales for Resale	310-311	
46	Electric Operation and Maintenance Expenses	320-323	
47	Purchased Power	326-327	
48	Transmission of Electricity for Others	328-330	
49	Transmission of Electricity by ISO/RTOs	331	Not Applicable
50	Transmission of Electricity by Others	332	
51	Miscellaneous General Expenses-Electric	335	
52	Depreciation and Amortization of Electric Plant	336-337	
53	Regulatory Commission Expenses	350-351	
54	Research, Development and Demonstration Activities	352-353	None
55	Distribution of Salaries and Wages	354-355	
56	Common Utility Plant and Expenses	356	None
57	Amounts included in ISO/RTO Settlement Statements	397	Not Applicable
58	Purchase and Sale of Ancillary Services	398	
59	Monthly Transmission System Peak Load	400	
60	Monthly ISO/RTO Transmission System Peak Load	400a	Not Applicable
61	Electric Energy Account	401	
62	Monthly Peaks and Output	401	
63	Steam Electric Generating Plant Statistics	402-403	
64	Hydroelectric Generating Plant Statistics	406-407	Not Applicable
65	Pumped Storage Generating Plant Statistics	408-409	Not Applicable
66	Generating Plant Statistics Pages	410-411	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Line Statistics Pages	422-423	
68	Transmission Lines Added During the Year	424-425	
69	Substations	426-427	
70	Transactions with Associated (Affiliated) Companies	429	None
71	Footnote Data	450	

Stockholders' Reports Check appropriate box:

[X] Two copies will be submitted

[ ] No annual report to stockholders is prepared

GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Russell G. Gibson
Vice President & Controller
Stanton Tower, 100 North Stanton
El Paso, Texas 79901

Mailing Address:
Russell G. Gibson
Post Office Box 982
El Paso, Texas 79960-0982

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Texas - August 30, 1901

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not applicable.

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric power generation, transmission and distribution for sale at retail in the states of Texas and New Mexico; and wholesale sales including sales for resale to other electric utilities primarily in the states of Texas, New Mexico and Arizona and sales for resale to power marketers.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) [ ] Yes...Enter the date when such independent accountant was initially engaged:
(2) [X] No

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is $50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chief Executive Officer	Mary E. Kipp	625,000
2	Senior Vice President and Chief Financial Officer	Nathan T. Hirschi	348,077
3	Senior Vice President - Operations	Steven T. Buraczyk	323,462
4	Senior Vice President - Corporate Services and		
5	Chief Compliance Officer	Rocky R. Miracle	314,231
6	Senior Vice President - Public and Customer Affairs		
7	and Chief Human Resources Officer	William A. Stiller	301,077
8	Senior Vice President and General Counsel	John R. Boomer	300,000
9	Vice President - Regulatory Affairs	James A. Schichtl	187,018
10	Vice President - Transmission and Distribution		
11	and System Planning	Robert C. Doyle	246,462
12	Vice President - Controller	Russell G. Gibson	235,538
13	Vice President - Public, Government and		
14	Customer Affairs	Eduardo Gutierrez	204,231
15	Vice President - System Operations, Resource		
16	Planning and Management	David C. Hawkins	228,308
17	Vice President - Customer Care	Kerry B. Lore	214,615
18	Vice President - Power Generation	Andres R. Ramirez	264,423
19	Vice President - Community Outreach	Guillermo Silva, Jr.	164,615
20	Vice President - Compliance and Chief Risk Officer	Henry W. Soza	225,539
21	Vice President - Renewables Development	Richard E. Turner	200,538
22	Corporate Secretary	Jessica M. Goldman	131,522
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Schedule Page: 104 Line No.: 9 Column: b

On May 27, 2016, James A. Schichtl, formerly Director of Regulatory Affairs, was appointed Vice President of Regulatory Affairs.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Catherine A. Allen - Director***	The Santa Fe Group
2		3 Chamisa Drive North, Suite 2
3		Santa Fe, New Mexico 87508
4		
5	John Robert Brown - Director	Brownco Capital, LLC
6		6080 Surety Drive, Suite 205
7		El Paso, Texas 79905
8		
9	James W. Cicconi - Director***	El Paso Electric Company
10		100 North Stanton
11		El Paso, Texas 79901
12		
13	Edward Escudero - Director and Vice Chairman of the Board***	High Desert Capital, LLC
14		6080 Surety Drive
15		El Paso, Texas 79905
16		
17	James W. Harris - Director	OP Food Products, LLC
18		Post Office Box 38
19		Manns Harbor, North Carolina 27953
20		
21	Patricia Z. Holland-Branch - Former Director	The Facilities Connection, Inc.
22		240 East Sunset
23		El Paso, Texas 79922
24		
25	Woodley L. Hunt - Director	Hunt Companies, Inc.
26		4401 N. Mesa Street
27		El Paso, Texas 79902
28		
29	Mary E. Kipp - Director and CEO	El Paso Electric Company
30		100 N. Stanton
31		El Paso, Texas 79901
32		
33	Thomas V. Shockley III - Director	El Paso Electric Company
34		100 N. Stanton
35		El Paso, Texas 79901
36		
37	Eric B. Siegel - Director**	11100 Santa Monica Boulevard, Suite 2000
38		Los Angeles, California 90025
39		
40	Stephen N. Wertheimer - Director***	W Capital Partners
41		400 Park Avenue, Suite 910
42		New York, New York 10022
43		
44	Charles A. Yamarone - Director and Chairman of the Board***	Houlihan Lokey
45		10250 Constellation Boulevard, 5th Floor
46		Los Angeles, California 90067
47		
48		

Schedule Page: 105 Line No.: 1 Column: a

On September 29, 2016, Catherine A. Allen was appointed as a member of the Executive Committee.

Schedule Page: 105 Line No.: 17 Column: a

On September 29, 2016, the Executive Committee became comprised of the chair of each of the Committees of the Board; as a result, James W. Harris was no longer an Executive Committee member.

Schedule Page: 105 Line No.: 21 Column: a

On May 26, 2016, Patricia Z. Holland-Branch retired from the Board of Directors pursuant to the director retirement age policy, in the Company’s Corporate Governance Guidelines.

INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates? [X] Yes [ ] No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
1	Rate Schedule FERC No. 18	ER08-742-001
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

INFORMATION ON FORMULA RATES

FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?

[X] Yes
[ ] No

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

Line No.	Accession No.	Document Date \ Filed Date	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
1	20160908-5196	09/08/2016		2016 Annual Update	18
2		09/08/2016			
3					
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Schedule Page: 1061   Line No.: 1   Column: d

The 2016 annual update is to the cost-based formula rate included in the Power Sales Agreement under ER08-742.

1. Changes in and Important Additions to Franchise Rights:

None

2. Acquisition of Ownership in Other Companies:

None

3. Purchase or Sale of an Operating Unit or System:

On February 17, 2015, El Paso Electric Company ("the Company") and Arizona Public Service Company ("APS") entered into an asset purchase agreement (the "Purchase and Sale Agreement") providing for the sale of the Company's interest in Four Corners Generating Station ("Four Corners") to an affiliate of APS. Four Corners continued to provide energy to serve the Company's native load up to the closing date.

On June 26, 2015, APS filed an application requesting authorization from FERC to purchase 100% of the Company's ownership interest in Units 4 and 5 of Four Corners, the associated transmission interconnection facilities and rights, and related common facilities. On December 22, 2015, FERC issued an order approving the proposed transaction.

On June 15, 2016, in NMPRC Case No. 15-00109-UT, the NMPRC issued its final order approving the Company's sale and abandonment of its ownership interest in Four Corners to APS pursuant to the Purchase and Sale Agreement.

The Four Corners transaction closed on July 6, 2016. On July 6, 2016, prior to the closing of the transaction, the Company and APS entered into an amendment to the Purchase and Sale Agreement pursuant to which APS assigned its right, title and interest in the Purchase and Sale Agreement to its affiliate 4C Acquisition, LLC ("APS's affiliate"), and Pinnacle West Capital Corporation, the parent company of APS and APS's affiliate ("Pinnacle West"), guaranteed APS's affiliate's obligations under the Purchase and Sale Agreement. The sales price was $32.0 million, which was based on the net book value as defined in the Purchase and Sale Agreement. The sales price was adjusted downward by $7.0 million and $19.5 million, respectively, to reflect the assumption by APS's affiliate of the Company's obligation to pay for future plant decommissioning and mine reclamation expenses. The sales price was also adjusted downward by approximately $1.3 million for estimated closing adjustments and other assets and liabilities assumed by APS's affiliate. At the closing, the Company received approximately $4.2 million in cash, subject to post-closing adjustments. No significant gain or loss was recorded after the closing date. APS's affiliate assumed responsibility for all Four Corners capital expenditures made after July 6, 2016, which assumption is guaranteed by Pinnacle West. In addition, APS's affiliate will indemnify the Company against certain liabilities and costs related to the future operation of Four Corners, which indemnification is guaranteed by Pinnacle West.

On June 10, 2015, the Company filed an application in Texas requesting reasonableness and public interest findings and certain rate and accounting findings related to the Purchase and Sale Agreement. This case was assigned PUCT Docket No. 44805. Subsequent to the filing of the application, the case has been subject to numerous procedural matters, including a March 23, 2016 order in which the PUCT determined not to dismiss the reasonableness and public interest issues in this docket but to consider the requested rate and accounting findings, including mine reclamation costs, in a rate case proceeding. On September 1, 2016, a motion by parties in the proceeding to suspend the procedural schedule in order to pursue settlement was approved. On March 3, 2017, the Company filed a Joint Motion to Implement Stipulation and Agreement, and commission Staff filed its recommendation that the Company’s disposition of the Four Corners Power Plant was reasonable and consistent with the public interest. A final order approving the Stipulation and Agreement was adopted by the PUCT on March 30, 2017.

4. Important Leaseholds That Have Been Acquired or Given, Assigned or Surrendered:

As part of the Four Corners Purchase and Sale Agreement discussed in item 3 above, the sales price was reduced for a facilities lease which was assigned to APS. This facilities lease was pursuant to an Indenture of Lease dated December 1, 1960 between the Navajo Tribe of Indians and Purchaser, as amended, supplemented and revised by the Supplemental and Additional Indenture of Lease executed as of July 6, 1966 between the Navajo Tribe of Indians and the Facilities Owners.

5. Important Extension or Reduction of Transmission or Distribution System:

On November 4, 2016, the Company placed into commercial operation a 115kV transmission line of approximately 6.3 miles from Montana Power Station to the Montwood substation. The Public Utility Commission of Texas ("PUCT") issued final orders approving the Company's Certificate of Convenience and Necessity ("CCN") application for the transmission line in PUCT Docket No. 41809. The New Mexico Public Regulation Commission ("NMPRC") issued final orders approving the Company's CCN application in NMPRC Case No. 13-00297-UT.

6. Obligations Incurred as a Result of Issuance of Securities or Assumption of Liabilities or Guarantees:

Issuance of $150 million of Senior Notes. On March 24, 2016, the Company issued $150.0 million in aggregate principal amount of 5.00% Senior Notes due December 1, 2044. Authorization for this transaction was received in FERC Docket No. ES15-66-000 and from the NMPRC in Case No. 15-00280-UT. The net proceeds from the issuance of the senior notes, after deducting the underwriters' commission, were $158.1 million. These proceeds include accrued interest of $2.4 million and a $7.1 million premium before expenses. The effective interest rate is approximately 4.77%. The net proceeds from the sale of these senior notes were used to repay outstanding short-term borrowings under the revolving credit facility ("RCF") used for working capital and general corporate purposes, which may include funding capital expenditures. These senior notes constitute an additional issuance of the Company's 5.00% Senior Notes due 2044, of which $150 million was previously issued on December 1, 2014, for a total principal amount outstanding of $300 million of the Company's 5.00% Senior Notes due 2044. Additionally under this authorization, on January 9, 2017, the Company exercised its option to extend the maturity of the RCF by one year to January 14, 2020 and to increase the size of the facility by $50.0 million to $350.0 million. The Company still has the option to extend the facility by one additional year to January 2021 and to increase the RCF by up to $50.0 million (up to a total of $400.0 million) upon the satisfaction of certain conditions, more fully set forth in the agreement, including obtaining commitments from lenders or third party financial institutions. Additionally, the Company agreed to reduce the letters of credit commitment to $50.0 million from a total commitment, under the RCF, of $350.0 million.

7. Changes in Articles of Incorporation:

None

8. Important Wage Scale Changes:

Base salaries for non-union employees were increased by an average of approximately 2.89% effective in January 2016 compared to 2015 through the merit award process. The annual effect of this increase was approximately $1.6 million.

Base salaries for union employees under contract were increased by 3.00 % effective August 2016 compared to the previous level. The annual effect of this increase was approximately $0.9 million.

9. Materially Important Legal Proceedings (see also Notes B, F and G of "Notes to Financial Statements"):

The Company is a party to various legal actions. In many of these matters, the Company has excess casualty liability insurance that covers the various claims, actions and complaints. Based upon a review of the matters and applicable insurance coverage, the Company believes that none of these matters will have a material adverse effect on the financial position, results of operations or cash flows of the Company.

10. Materially Important Transactions:

None

11. Reserved

12. Important changes during the year:

2015 Texas Retail Rate Case Filing. On August 10, 2015, the Company filed with the City of El Paso, other municipalities incorporated in its Texas service territory, and the Public Utility Commission of Texas ("PUCT") in Docket No. 44941, a request for an annual increase in non-fuel base revenues (the "2015 Texas Retail Rate Case").

On July 21, 2016, the parties to PUCT Docket No. 44941 filed the Joint Motion to Implement Uncontested Amended and Restated Stipulation and Agreement which was unopposed by the parties (the "Unopposed Settlement"). On August 25, 2016, the PUCT approved the Unopposed Settlement and issued its final order in Docket No. 44941 (the "PUCT Final Order"), as proposed. The PUCT Final Order provided for: (i) an annual non-fuel base rate increase, lower annual depreciation expense, a revised return on equity for AFUDC purposes, and the inclusion of substantially all new plant in service in rate base; (ii) an additional annual non-fuel base rate increase of $3.7 million related to Four Corners costs, which will be collected through a surcharge terminating on July 12, 2017; (iii) removing the separate rate treatment for residential customers with solar systems that the Company had proposed in its August 10, 2015 filing; (iv) allowing the Company to recover $3.1 million in rate case expenses through a separate surcharge and (v) allowing the Company to recover revenues associated with the relate back of rates to consumption on and after January 12, 2016 through March 31, 2016 through a separate surcharge.

Interim rates associated with the annual non-fuel rate increase, became effective on April 1, 2016. The additional surcharges associated with the incremental Four Corners costs, rate case expenses and the relate back of rates to consumption on and after January 12, 2016 through March 31, 2016 were implemented on October 1, 2016.

For financial reporting purposes, the Company deferred any recognition of the Company's request in its 2015 Texas Retail Rate Case until it received the PUCT Final Order on August 25, 2016. Accordingly, it reported in the third quarter of 2016 the cumulative effect of the PUCT Final Order which related back to January 12, 2016. The effects of the PUCT Final Order on operating results for the year ended December 31, 2016 increased operating revenues by $42.4 million, decreased depreciation expense by $10.3 million and decreased other expenses, net by approximately $2.7 million for an aggregate increase in income before income taxes of $50.0 million and an increase in net income of $27.3 million.

2017 Texas Retail Rate Case Filing. On February 13, 2017, the Company filed with the City of El Paso, other municipalities incorporated in the Company's Texas service territory and the PUCT in Docket No.46831, a request for an increase in non-fuel base revenues of approximately $42.5 million. The Company invoked its statutory right to have its new rates relate back for consumption on and after July 18, 2017, which is the 155th day after the filing. The difference in rates that would have been billed will be surcharged or refunded to customers after the PUCT's final order in Docket No. 46831. The PUCT has the authority to require the Company to surcharge or refund such difference over a period not to exceed 18 months. The Company cannot predict the outcome or the timing of this rate case at this time.

2015 New Mexico Rate Case Filing. On May 11, 2015, the Company filed a request with the NMPRC, in Case No. 15-00127-UT, for an annual increase in non-fuel base rates. On June 8, 2016, the NMPRC issued its final order in Case No. 15-00127-UT (the "NMPRC Final Order") which approved an annual increase in non-fuel base rates of approximately $0.6 million, an increase of approximately $0.5 million in other service fees and a decrease in the Company's allowed return on equity to 9.48%. The NMPRC Final Order concluded that all of the Company's new plant in service was reasonable and necessary and therefore would be recoverable in rates. The Company's rates were approved by the NMPRC effective July 1, 2016 and implemented at such time.

Also, see response to items 1 to 11 and 13 to 14.

13. Changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period:

On May 26, 2016, Patricia Z. Holland-Branch retired from the Board of Directors.

On May 27, 2016, James A. Schichtl, formerly Director of Regulatory Affairs, was appointed Vice President of Regulatory Affairs.

14. Cash management programs and events causing the proprietary capital to be less than 30 percent:

None

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

INFORMATION ON FORMULA RATES
Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

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Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200-201	4,720,359,747	4,484,604,114
3	Construction Work in Progress (107)	200-201	154,738,506	293,796,089
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		4,875,098,253	4,778,400,203
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	2,161,720,490	2,188,391,141
6	Net Utility Plant (Enter Total of line 4 less 5)		2,713,377,763	2,590,009,062
7	Nuclear Fuel in Process of Ref., Conv.,Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		196,173,010	191,560,563
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	76,343,039	75,495,520
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		119,829,971	116,065,043
14	Net Utility Plant (Enter Total of lines 6 and 13)		2,833,207,734	2,706,074,105
15	Utility Plant Adjustments (116)		-947,680	158,346
16	Gas Stored Underground - Noncurrent (117)		0	0
17	**OTHER PROPERTY AND INVESTMENTS**			
18	Nonutility Property (121)		709,446	652,094
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		1,455,555	1,577,339
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		262,154,162	245,772,654
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets – Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		264,319,163	248,002,087
33	**CURRENT AND ACCRUED ASSETS**			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		8,068,258	7,930,601
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		172,070	72,140
38	Temporary Cash Investments (136)		179,627	146,267
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		55,437,716	43,939,283
41	Other Accounts Receivable (143)		14,240,188	2,798,211
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		2,184,779	2,077,888
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		0	0
45	Fuel Stock (151)	227	1,831,509	1,471,698
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	45,355,549	47,227,673
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	27,823	130

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	1,106	-2,006
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		9,699,364	10,610,637
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		6,388	5,892
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		20,952,000	21,661,000
62	Miscellaneous Current and Accrued Assets (174)		-25,406	21,558
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		153,761,413	133,805,196
68	**DEFERRED DEBITS**			
69	Unamortized Debt Expenses (181)		13,300,775	12,551,913
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	145,850,294	146,133,174
73	Prelim. Survey and Investigation Charges (Electric) (183)		865,320	1,087,630
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		-345,325	-78,158
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	5,632,375	5,900,411
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		16,573,162	17,459,086
82	Accumulated Deferred Income Taxes (190)	234	251,438,660	243,635,616
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		433,315,261	426,689,672
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		3,683,655,891	3,514,729,406

Name of Respondent	This Report is:	Date of Report (mo, da, yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	end of 2016/Q4

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	65,824,151	65,817,279
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		310,164,281	308,083,747
7	Other Paid-In Capital (208-211)	253	2,448,606	1,972,274
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	340,939	340,939
11	Retained Earnings (215, 215.1, 216)	118-119	1,142,889,432	1,094,535,966
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reaquired Capital Stock (217)	250-251	421,514,793	422,846,261
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-7,116,015	-13,913,805
16	Total Proprietary Capital (lines 2 through 15)		1,092,354,723	1,033,308,261
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	193,135,000	193,135,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	1,000,000,000	850,000,000
22	Unamortized Premium on Long-Term Debt (225)		6,935,167	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		3,740,286	3,850,917
24	Total Long-Term Debt (lines 18 through 23)		1,196,329,881	1,039,284,083
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		45,000,000	95,000,000
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		0	0
29	Accumulated Provision for Pensions and Benefits (228.3)		127,168,099	145,079,894
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		81,799,925	81,620,628
35	Total Other Noncurrent Liabilities (lines 26 through 34)		253,968,024	321,700,522
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		44,000,000	108,000,000
38	Accounts Payable (232)		62,953,407	59,978,382
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		0	0
41	Customer Deposits (235)		6,753,534	6,600,485
42	Taxes Accrued (236)	262-263	28,776,698	26,457,792
43	Interest Accrued (237)		11,585,596	10,947,501
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent	This Report is:	Date of Report (mo, da, yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	end of 2016/Q4

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)(continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		1,746,875	1,549,579
48	Miscellaneous Current and Accrued Liabilities (242)		21,207,903	20,175,475
49	Obligations Under Capital Leases-Current (243)		89,274,728	35,439,067
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		266,298,741	269,148,281
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		18,868,550	15,520,732
57	Accumulated Deferred Investment Tax Credits (255)	266-267	19,772,475	21,325,447
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	1,622,814	22,583,727
60	Other Regulatory Liabilities (254)	278	39,901,322	54,884,685
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		772,657,141	657,029,391
64	Accum. Deferred Income Taxes-Other (283)		21,882,220	79,944,277
65	Total Deferred Credits (lines 56 through 64)		874,704,522	851,288,259
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		3,683,655,891	3,514,729,406

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility columnin a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	886,936,330	849,868,796		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	468,065,677	478,259,578		
5	Maintenance Expenses (402)	320-323	66,746,006	65,222,359		
6	Depreciation Expense (403)	336-337	79,038,903	83,735,171		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	-1,159,369	-1,121,643		
8	Amort. & Depl. of Utility Plant (404-405)	336-337	5,302,468	6,481,950		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		678,723	152,184		
13	(Less) Regulatory Credits (407.4)		130,620			
14	Taxes Other Than Income Taxes (408.1)	262-263	65,532,681	63,736,069		
15	Income Taxes - Federal (409.1)	262-263	-7,933,389	-2,897,651		
16	- Other (409.1)	262-263	775,079	782,919		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	236,095,452	138,896,675		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	185,306,185	108,962,834		
19	Investment Tax Credit Adj. - Net (411.4)	266	-1,552,972	-1,192,314		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)			3		
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)		7,171,920	6,854,642		
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		733,324,374	729,947,102		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		153,611,956	119,921,694		

STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	Line No.
						1
886,936,330	849,868,796					2
						3
468,065,677	478,259,578					4
66,746,006	65,222,359					5
79,038,903	83,735,171					6
-1,159,369	-1,121,643					7
5,302,468	6,481,950					8
						9
						10
						11
678,723	152,184					12
130,620						13
65,532,681	63,736,069					14
-7,933,389	-2,897,651					15
775,079	782,919					16
236,095,452	138,896,675					17
185,306,185	108,962,834					18
-1,552,972	-1,192,314					19
						20
						21
	3					22
						23
7,171,920	6,854,642					24
733,324,374	729,947,102					25
153,611,956	119,921,694					26

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL Current Year (c)	TOTAL Previous Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
27	Net Utility Operating Income (Carried forward from page 114)		153,611,956	119,921,694		
28	Other Income and Deductions					
29	Other Income					
30	Nonutilty Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)		642,611	933,079		
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		889,146	1,001,079		
33	Revenues From Nonutility Operations (417)					
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)					
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		6,564,865	6,504,049		
38	Allowance for Other Funds Used During Construction (419.1)		7,022,504	10,639,563		
39	Miscellaneous Nonoperating Income (421)		14,485,711	18,056,887		
40	Gain on Disposition of Property (421.1)		997,434	657,682		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		28,823,979	35,790,181		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		947,683	424,892		
44	Miscellaneous Amortization (425)		158,343	302,248		
45	Donations (426.1)		1,293,118	1,654,864		
46	Life Insurance (426.2)		358,874	373,354		
47	Penalties (426.3)		1,000	9,003		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		722,434	684,668		
49	Other Deductions (426.5)		2,120,685	1,545,689		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		5,602,137	4,994,718		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	7,923	9,448		
53	Income Taxes-Federal (409.2)	262-263	10,168,454	5,467,862		
54	Income Taxes-Other (409.2)	262-263	449,563	152,607		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	788,521	554,606		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	531,298	32,082		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)			-34,000		
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		10,883,163	6,186,441		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		12,338,679	24,609,022		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		69,667,572	63,903,068		
63	Amort. of Debt Disc. and Expense (428)		1,106,865	1,062,067		
64	Amortization of Loss on Reaquired Debt (428.1)		885,924	885,924		
65	(Less) Amort. of Premium on Debt-Credit (429)		116,333			
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)					
68	Other Interest Expense (431)		1,433,391	1,522,695		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		4,982,916	6,936,605		
70	Net Interest Charges (Total of lines 62 thru 69)		67,994,503	60,437,149		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		97,956,132	84,093,567		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		97,956,132	84,093,567		

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		1,094,535,966	1,057,500,972
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		97,956,132	84,093,567
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31	Class common stock $1 par value		-49,602,666	(47,058,573)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-49,602,666	(47,058,573)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		1,142,889,432	1,094,535,966
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		1,142,889,432	1,094,535,966
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)			

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	97,956,132	84,093,567
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	79,038,903	83,735,171
5	Amortization of Other	17,812,027	19,698,901
6	Amortization of Nuclear Fuel	44,001,663	43,317,692
7			
8	Deferred Income Taxes (Net)	51,046,490	30,456,364
9	Investment Tax Credit Adjustment (Net)	-1,552,972	-1,158,314
10	Net (Increase) Decrease in Receivables	-17,510,667	4,838,535
11	Net (Increase) Decrease in Inventory	293,057	-2,836,127
12	Net (Increase) Decrease in Allowances Inventory	-27,693	-22,410
13	Net Increase (Decrease) in Payables and Accrued Expenses	1,414,303	-3,555,339
14	Net (Increase) Decrease in Other Regulatory Assets	-19,352,175	6,949,320
15	Net Increase (Decrease) in Other Regulatory Liabilities	-3,767,976	3,090,848
16	(Less) Allowance for Other Funds Used During Construction	7,022,504	10,639,563
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):	-2,430,856	-7,584,730
19			
20	Deferred Charges and Credits	-6,438,358	510,326
21	Net (Increase) Decrease in Prepayments and Other	-1,183,644	-3,984,042
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	232,275,730	246,910,199
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-237,366,911	-299,034,502
27	Gross Additions to Nuclear Fuel	-47,551,046	-47,173,053
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-7,022,504	-10,639,563
31	Other (provide details in footnote):		
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-277,895,453	-335,567,992
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)	4,840,917	720,883
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Investment in Decommissioning Trust Fund (Purchases)	-99,497,276	-110,222,765
54	Investment in Decommissioning Trust Fund (Sales and Maturities)	91,268,313	102,567,160
55	Other (provided details in footnote):	4,425,581	-470,233
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-276,857,918	-342,972,947
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	157,051,500	
62	Preferred Stock		
63	Common Stock		
64	Other: Financing and Other Capital Lease Obligations- Proceeds	355,606,788	344,397,806
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	512,658,288	344,397,806
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)		
74	Preferred Stock		
75	Common Stock		
76	Other Financing Activities	-2,067,397	-963,991
77	Financing and Capital Lease Obligations	-415,771,127	-232,191,847
78	Net Decrease in Short-Term Debt (c)		
79	Tax Obligations from Long-Term Incentive Plans	-363,963	-475,475
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	-49,602,666	-47,058,573
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	44,853,135	63,707,920
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	270,947	-32,354,828
87			
88	Cash and Cash Equivalents at Beginning of Period	8,149,008	40,503,836
89			
90	Cash and Cash Equivalents at End of period	8,419,955	8,149,008

Schedule Page: 120 Line No.: 18 Column: a

	2016	2015
Other:		
Net Loss (gain) on Sale of Property, Plant and Equipment	$ 402,654	$ (657,682)
Net Gains on Equity Investments	(7,640,235)	(11,114,439)
Amortization of Unearned Compensation	4,252,534	3,822,653
Unrealized Losses on Investments in Debt Securities	121,784	110,186
Other Operating Activities	432,407	254,552
Total	$ (2,430,856)	$ (7,584,730)

Schedule Page: 120 Line No.: 55 Column: a

	2016	2015
Other:		
Net Customer Advances for Construction	$ 3,347,819	$ 515,060
Net Salvage Value and Cost of Removal	1,077,762	(985,293)
Total	$ 4,425,581	$ (470,233)

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Cormmission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Note 1. Regulatory-Basis Financial Statements

The accompanying regulatory-basis financial statements are presented in accordance with the accounting requirements of the Federal Energy Regulatory Commission (the "FERC") as set forth in its applicable Uniform System of Accounts and published accounting releases which is a comprehensive basis of accounting other than U.S. Generally Accepted Accounting Principles ("GAAP") used in the 2016 Form 10-K filed by El Paso Electric Company with the Securities and Exchange Commission. Notes A through O of the regulatory-basis financial statements are from the 2016 Form 10-K and have been revised where the presentation of regulatory-basis financial statements, in accordance with requirements under the Uniform System of Accounts and published accounting releases of the FERC, result in different financial statement amounts or disclosures than under GAAP. Because many types of transactions are susceptible to varying interpretations, the amounts and classifications reported in the accompanying regulatory-basis financial statements may be subject to change at a later date upon final determination by the FERC. In the remainder of this Note 1, information contained in Notes A through O is supplemented for additional regulatory-basis disclosures.

Regulatory-Basis Financial Statements Compared to GAAP

The significant differences between the Company's regulatory-basis financial statements and those prepared in accordance with GAAP include the application of fresh-start reporting to the GAAP financial statements and the discontinuance and subsequent re-application of the provisions of Financial Accounting Standards Board ("FASB") accounting guidance for regulated operations. In 1996, the Company adopted fresh-start reporting for its GAAP financial statements in accordance with the FASB guidance related to financial reporting by entities in reorganization under the bankruptcy code. The adoption of fresh-start reporting resulted in the creation of a new reporting entity having no retained earnings or accumulated deficit and significantly altered, compromised, or modified the Company's historical capital structure.

GAAP requires earnings per share information on the income statement and the classification of tax assets related to an uncertainty in income taxes as a reduction to the related tax asset rather than as an increase to current liabilities. GAAP also requires the classification of interest and penalties related to uncertain tax positions as tax expense rather than as interest and penalty expense.

In addition, certain items in the accompanying regulatory-basis financial statements are classified differently under FERC requirements than in the Company's GAAP financial statements. If GAAP were followed, items in the accompanying regulatory-basis financial statements would be increased (decreased) as follows (in thousands):

Line No.		2016	2015
	Assets and Other Debits (Pages 110-111)		
2	Utility plant	$ (928,794)	$ (868,303)
5	Accumulated provision for depreciation, amortization and depletion	(917,389)	(858,548)
11	Nuclear fuel under capital lease	(1,331)	(1,279)
12	Accumulated provision for amortization of nuclear fuel	(741)	(465)
15	Utility plant adjustments	948	(158)
18	Non utility property	(709)	(652)
24	Other investments	(1,456)	(1,577)
28	Other special funds	(262,154)	(245,773)
67	Total current and accrued assets	10,437	(761)
84	Total deferred debits	(42,449)	(54,633)
	Liabilities and Other Credits (Pages 112-113)		
2	Common stock issued	(2)	11
6	Premium on capital stock	12,479	11,990
7	Other paid-in capital	(2,449)	(1,972)
10	Capital stock expense	(341)	(341)
11	Retained earnings	(28,328)	(27,140)
24	Total long-term debt	(817)	83,376
35	Total other noncurrent liabilities	(253,968)	(321,701)
54	Total current and accrued liabilities	37,110	7,915
65	Total deferred credits	(71,744)	(66,943)
	Statements of Income for the Year (Pages 114-117)		
25	Total utility operating expenses	(41,249)	(26,269)
26	Net utility operating income	41,249	26,269
60	Net other income and deductions	6,361	1,272
70	Net interest charges	(5,120)	(5,178)
78	Net income	(1,188)	(2,176)
	Statement of Retained Earnings (Pages 118-119)		
1	Balance – beginning of period	$ (27,140)	$ (24,964)
48	Total retained earnings	(28,328)	(27,140)
	Statement of Cash Flows (Pages 120-121)		
22	Net cash provided by (used in) operating activities	$ (1,126)	$ (239)
57	Net cash provided by (used in) investing activities	1,126	239

Statement of Cash Flows

Cash and cash equivalents and amortization of other presented on the statement of cash flows for the years ended December 31, 2016 and 2015 consist of the following (in thousands):

	2016	2015
Cash and Cash Equivalents:		
Cash (131)	$ 8,068	$ 7,931
Working funds (135)	172	72
Temporary cash investments (136)	180	146
Cash and cash equivalents at end of period	$ 8,420	$ 8,149
Amortization of Other:		
ARO depreciation (403.1)	$ (1,159)	$ (1,122)
Other utility plant (404)	5,302	6,482
Regulatory assets (407.3)	679	152
Regulatory liabilities (407.4)	(131)	-
ARO accretion expense (411.10)	7,172	6,855
Miscellaneous amortization (425)	158	302
Debt expense (428)	1,107	1,062
Loss on reacquired debt (428.1)	886	886
Debt premium (429)	(116)	-
Interest rate lock losses	499	467
Nuclear fuel financing issuance costs	161	178
Dry cask storage amortization	1,660	3,254
Coal reclamation amortization	1,009	1,183
Texas rate case amortization	381	-
New Mexico rate case amortization	204	-
	$ 17,812	$ 19,699

Utility Plant Adjustments

The following table summarizes amounts reflected as Utility Plant Adjustments for the New Mexico jurisdiction as of December 31, 2016 and 2015 (in thousands):

		2016 Activity		
	December 31, 2015	Additions (Debits)	Amortization (Credits)	December 31, 2016
Utility Plant Adjustment (a)	$ 17,848	$ —	$ —	$ 17,848
Accumulated Amortization (a)	(17,690)	—	(158)	(17,848)
Four Corners reserve for unrecovered cost (b)	—	—	(948)	(948)
	$ 158	$ —	$ (1,106)	$ (948)

(a) Represents the New Mexico jurisdictional difference between FERC regulatory-basis values and GAAP values related to Steam and Other Production assets. Established in 1998 by the Stipulation and Settlement Agreement in New Mexico Public Regulation Commission Case No. 2722. FERC account 116 was utilized to maintain the original cost concept for utility plant and is consistent with FERC's policy on plant write ups. The Company is amortizing this asset over the remaining lives of each respective production unit.

(b) Represents the estimated reserve for unrecovered plant cost in connection with the sale of Four Corners.

Accounting and Reporting for New Electric Storage Operations

The Company does not have electric storage assets and therefore does not have any operation and maintenance expense or purchased power expense to report in accordance with the interim guidance in FERC Docket No. AI14-1-000 issued on February 20, 2014, for reporting energy storage assets, operation and maintenance expense and purchased power expense in the regulatory-basis Notes to Financial Statements.

A. Summary of Significant Accounting Policies

General. El Paso Electric Company is a public utility engaged in the generation, transmission and distribution of electricity in an area of approximately 10,000 square miles in west Texas and southern New Mexico. The Company also serves a full requirements wholesale customer in Texas.

Basis of Presentation. The Company maintains its accounts in accordance with the accounting requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases, and applies such principles in its regulatory books of account to the rate treatment as ordered by each of the Company's three regulators (the Public Utility Commission of Texas (the "PUCT"), the New Mexico Public Regulation Commission (the "NMPRC") and the FERC), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. *Use of Estimates*. The preparation of financial statements in conformity with regulatory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the regulatory-basis financial statements and the reported amounts of revenues and expenses during the reporting period. The Company evaluates its estimates on an on-going basis, including those related to depreciation, unbilled revenue, income taxes, fuel costs, pension and other post-retirement obligations and asset retirement obligations ("ARO"). Actual results could differ from those estimates.

Comprehensive Income. Certain gains and losses that are not recognized currently in the regulatory-basis statement of income are reflected in the accompanying regulatory-basis balance sheet in Accumulated Other Comprehensive Income in accordance with the FERC guidance for reporting comprehensive income.

Utility Plant. Utility plant is reported at original cost, less regulatory disallowances and impairments. Costs include labor, materials, construction overheads and allowance for funds used during construction ("AFUDC"). Depreciation is provided on a straight-line basis at annual rates which will generally amortize the undepreciated cost of depreciable property over the estimated remaining lives of the assets (ranging in average from 5 to 48 years). The average composite depreciation rate utilized in 2016 and 2015 was 2.49% and 2.96%, respectively. When property subject to composite depreciation is retired or otherwise disposed of in the normal course of business, its cost - together with the cost of removal, less salvage - is charged to accumulated depreciation. For other property dispositions, the applicable cost and accumulated depreciation is removed from the balance sheet accounts and a gain or loss is recognized. During 2016, depreciation and amortization decreased due to changes in depreciation rates approved in the most recent final orders from the PUCT and the NMPRC and changes in the estimated life of certain intangible software assets. See Note C and Note E.

Previously, the Company recorded gains and losses on the disposition of vehicles in earnings when realized. However, beginning in 2016, the Company began crediting the proceeds (salvage) on the disposition of vehicles to accumulated depreciation.

The cost of nuclear fuel is amortized to fuel expense on a units-of-production basis. The Company is also amortizing its share of costs associated with on-site spent fuel storage casks at Palo Verde Nuclear Generating Station ("Palo Verde") over the burn period of the fuel that will necessitate the use of the storage casks. See Note E.

Impairment of Long-Lived Assets. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset.

AFUDC and Capitalized Interest. AFUDC is determined by applying an accrual rate to the balance of certain Construction Work in Progress ("CWIP"). The FERC has promulgated procedures for the computation (a prescribed formula) of the accrual rate. The AFUDC average rates used in 2016 and 2015 were 6.43% and 7.18%, respectively. The Company capitalizes interest on nuclear fuel in accordance with the FERC Uniform System of Accounts as provided for in the FASB guidance for regulated operations.

Asset Retirement Obligation. The Company complies with FERC Order No. 631, "Accounting, Financial Reporting, and Rate Filing Requirements for Asset Retirement Obligations" which sets forth accounting requirements for the recognition and measurement of liabilities associated with the retirement of tangible long-lived assets. An ARO associated with long-lived assets included within the scope of FERC Order No. 631 is that for which a legal obligation exists under enacted laws, statutes, written or oral contracts, including obligations arising under the doctrine of promissory estoppel and legal obligations to perform an asset retirement activity even if the timing and/or settlement are conditioned on a future event that may or may not be within the control of an entity. See Note F. Under order, these liabilities are recognized as incurred if a reasonable estimate of fair value can be established and are capitalized as part of the cost of the related tangible long-lived assets. The Company records the increase in the ARO due to the passage of time as an operating expense (accretion expense).

Cash and Cash Equivalents. All temporary cash investments with an original maturity of three months or less are considered cash equivalents.

Investments. The Company’s marketable securities, included in decommissioning trust funds which are reflected in Other Special Funds in the regulatory-basis balance sheet, are reported at fair value and consist of cash, equity securities and municipal, federal and corporate bonds in trust funds established for decommissioning of its interest in Palo Verde. Such marketable securities are classified as "available-for-sale" securities and, as such, unrealized gains and losses are included in Accumulated Other Comprehensive Income. However, if declines in the fair value of marketable securities below original cost basis are determined to be other than temporary, the declines are reported as losses in the regulatory-basis statement of income and a new cost basis is established for the affected securities at fair value. Gains and losses are determined using the cost of the security based on the specific identification basis. See Note N.

Derivative Accounting. Accounting for derivative instruments and hedging activities requires the recognition of derivatives as either assets or liabilities in the regulatory-basis balance sheet with measurement of those instruments at fair value. Any changes in the fair value of these instruments are recorded in earnings or other comprehensive income. See Note N.

Inventories. Inventories, primarily parts, materials, supplies, fuel oil and natural gas are stated at average cost, which is not to exceed recoverable cost.

Operating Revenues Net of Energy Expenses. The Company accrues revenues for services rendered, including unbilled electric service revenues. Energy expenses are stated at actual cost incurred. The Company’s Texas retail customers are billed under base rates and a fixed fuel factor approved by the PUCT. The Company’s New Mexico retail customers are billed under base rates and a fuel adjustment clause which is adjusted monthly, as approved by the NMPRC. The Company's FERC sales for resale customers are billed under formula base rates and fuel factors and a fuel adjustment clause which is adjusted monthly. The Company’s recovery of energy expenses is subject to periodic reconciliations of actual energy expenses incurred to actual fuel revenues collected. The difference between energy expenses incurred and fuel revenues charged to customers is reflected in the accompanying regulatory-basis balance sheet in Other Regulatory Assets and Other Regulatory Liabilities, as appropriate. See Note C and Note D.

Revenues. Revenues related to the sale of electricity are recorded when service is provided or electricity is delivered to customers. The billing of electricity sales to retail customers is based on the reading of their meters, which occurs on a systematic basis throughout the month. Unbilled revenues (or "Accrued Utility Revenues") are recorded for estimated amounts of energy delivered in the period following the customers billing cycle to the end of the month. Unbilled revenues are estimated based on monthly generation volumes and by applying an average revenue/kWh to the number of estimated kWhs delivered but not billed. The Company recorded $21.0 million and $21.7 million of Accrued Utility Revenues as of December 31, 2016 and 2015, respectively. The Company presents revenues net of sales taxes in its regulatory-basis statement of income.

Allowance for Doubtful Accounts. The allowance for *doubtful* accounts represents the Company's estimate of existing accounts receivable that will ultimately be uncollectible. The allowance is calculated by applying estimated write-off factors to various classes of outstanding receivables. The write-off factors used to estimate uncollectible accounts are based upon consideration of both historical collections experience and management's best estimate of future collections success given the existing collections environment. Additions, deductions and balances for allowance for doubtful accounts for 2016 and 2015 are as follows (in thousands):

	2016	2015
Balance at beginning of year	$ 2,078	$ 2,333
Additions:		
Charged to costs and expense	2,424	2,009
Recovery of previous write-offs	1,395	1,613
Uncollectible receivables written off	3,712	3,877
Balance at end of year	$ 2,185	$ 2,078

Income Taxes. The Company accounts for federal and state income taxes under the asset and liability method of accounting for income taxes. Deferred income taxes are recognized for the estimated future tax consequences of "temporary differences" by applying enacted statutory tax rates for each taxable jurisdiction applicable to future years to differences between the financial statement carrying amounts and the tax basis of existing assets and liabilities. Historically, certain temporary differences are accorded flow-through treatment by the Company's regulators and impact the Company's effective tax rate. The FASB guidance requires that rate-regulated companies record deferred income taxes for temporary differences accorded flow-through treatment at the direction of the regulatory commission. The resulting deferred tax assets and liabilities are recorded at the expected cash flow to be reflected in future rates. Because the Company's regulators have consistently permitted the recovery of tax effects previously flowed-through earnings, the Company has recorded regulatory liabilities and assets offsetting such deferred tax assets and liabilities. During the third quarter of 2016, the Company changed its accounting for state income taxes from the flow-through method to the normalization method in accordance with the final orders from the PUCT and the NMPRC in its 2015 rate cases, effective January 1, 2016. See Note C for further discussion. The effect on deferred tax assets and liabilities of a change in tax rate is recognized in income in the period that includes the enactment date. The Company recognizes tax assets and liabilities for uncertain tax positions in accordance with the recognition and measurement criteria of the FASB guidance for uncertainty in income taxes as modified by FERC Docket No. AI07-2-000. See Note I.

Stock-Based Compensation. The Company has a stock-based long-term incentive plan. The Company is required under the FASB guidance to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. Such costs are recognized over the period during which an employee is required to provide service in exchange for the award (the "requisite service period") which typically is the vesting period. Compensation cost is not recognized for anticipated forfeitures prior to vesting of equity instruments. See Note G.

Pension and Post-retirement Benefit Accounting. See Note L for a discussion of the Company's accounting policies for its employee benefits.

B. New Accounting Standards

The new accounting standards discussed below are issued by the Financial Accounting Standards Board and are to be applied to financial statements prepared in accordance with GAAP. The FERC has not officially stated its position with respect to these standards. Accordingly, differences may occur between financial statements prepared in accordance with GAAP and financial statements prepared in accordance with the Uniform System of Accounts when these standards are adopted.

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606) to provide a framework that replaces the existing revenue recognition guidance, and has since modified the standard with several ASUs. The standard provides that an entity should recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. More specifically, the standard requires entities to recognize revenue through the application of a five-step model, which includes the: (i) identification of the contract; (ii) identification of the performance obligations; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations; and (v) the recognition of revenue as the entity satisfies the performance obligations. Early adoption of ASU 2014-09 is permitted after December 15, 2016, however, the Company plans to adopt the new standard for reporting periods beginning after December 15, 2017.

Under the new standard, companies may use either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients, or (ii) a modified retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). The Company has not concluded which transition method it will elect but it currently anticipates using the modified retrospective approach.

The Company is currently in the process of evaluating the impact of the new standard on its various revenue and cash flow streams, including the evaluation of the impact, if any, on changes to business processes, systems and controls to support recognition and disclosure under the new guidance. Tariff sales to customers are determined to be in the scope of the new standard and represent a significant portion of the Company’s total operating revenues. The Company has not completed its final evaluation of tariff sales under the new guidance but currently does not anticipate that ASU 2014-09 will have a material impact on the Company's revenue recognition for such sales. The Company is still considering the impacts of the guidance on several industry-related accounting issues, including the accounting for contributions in aid of construction ("CIAC"), assessing the collectability criterion and the presentation of revenues associated with alternative revenue programs. The Company's initial assessment may change as we execute our implementation plan and new guidance is provided by the American Institute of Certified Public Accountants Power and Utilities Industry Task Force.

In January 2016, the FASB issued ASU 2016-01, Financial Instruments-Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Liabilities to enhance the reporting model for financial instruments by addressing certain aspects of recognition, measurement, presentation, and disclosure. ASU 2016-01 generally requires entities to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value and recognize any changes in fair value in net income. The guidance for classifying and measuring investments in debt securities and loans is not changed by this ASU, but requires entities to record changes in other comprehensive income. Financial assets and financial liabilities must be separately presented by measurement category on the regulatory-basis balance sheet or in the accompanying notes to the regulatory-basis financial statements. ASU 2016-01 clarifies the need for a valuation allowance on a deferred tax asset related to available-for-sale securities in combination with the entity's other deferred tax assets. The provisions of this ASU become effective for public companies for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. Upon adoption of the new standard, the Company expects to record the cumulative effects as of January 1, 2018 which will result in an adjustment to accumulated other comprehensive income (losses) and retained earnings for unrealized gains (losses) related to equity securities owned by the Company. Had the Company been required to adopt the new standard at January 1, 2016, accumulated other comprehensive income would decrease by $28.8 million and retained earnings would increase by a corresponding amount. Furthermore, the Company would report for the year ended December 31, 2016 an increase in investment income of $1.2 million, an increase in income tax expense of $0.2 million and a decrease in other comprehensive income of $1.0 million. The Company is continuing to assess the future impact of this ASU.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the regulatory-basis balance sheet and requiring qualitative and quantitative disclosures on leasing agreements. ASU 2016-02 maintains a distinction between finance leases and operating leases similar to the distinction under previous leases guidance for capital leases and operating leases. The impact of leases reported in the Company's operating results and statement of cash flows are expected to be similar to previous GAAP. ASU 2016-02 requires the recognition in the regulatory-basis balance sheet, by the lessee, of a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. How leases are recorded in regard to financial position represents a significant change from previous GAAP guidance. The lessee is permitted to make an accounting policy election to not recognize lease assets and lease liabilities for short-term leases. Implementation of the standard for public companies will be required for annual reporting periods beginning after December 15, 2018 and interim periods within that reporting period. Early adoption of ASU 2016-02 is permitted for all entities; however, the Company plans to adopt the new standard for reporting periods beginning after December 15, 2018. Adoption of the new lease accounting standard will require the Company to apply the new standard to the earliest period using a modified retrospective approach. The Company is currently in the process of evaluating the impact of the new standard, including the evaluation of the impact, if any, on changes to business processes, systems and controls to support recognition and disclosure under the new guidance, however, at this time is unable to determine the impact this standard will have on the financial statements and related disclosures.

In March 2016, the FASB issued ASU 2016-09, Compensation - Stock Compensation (Topic 718) Improvements to Employee Share-Based Payment Accounting to simplify the accounting for share-based payment transactions, including the income tax consequences, classification of awards either as equity or liabilities, and classification on the regulatory-basis statement of cash flows. The Company will adopt the new standard effective January 1, 2017 and does not expect the effect of the adoption to be material to the Company's financial condition, results of operations or cash flows. The cumulative effect of the adoption of the new standard will be to increase net operating loss carryforward deferred tax assets and retained earnings by approximately $0.2 million on January 1, 2017. The Company also expects to continue to account for its outstanding stock awards based on the equity method and therefore does not anticipate any changes in reporting related compensation expense.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326) ("ASU 2016-13"). ASU 2016-13 changes how companies measure and recognize credit impairment for many financial assets. The new current expected credit loss model will require companies to immediately recognize an estimate of credit losses expected to occur over the remaining life of the financial assets that are in the scope of the standard. The ASU also makes targeted amendments to the current impairment model for available-for-sale debt securities. For public business entities, the provisions of ASU 2016-13 are effective for fiscal years and interim periods within that reporting period beginning after December 15, 2019. Early implementation is permitted as of the fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. ASU 2016-13 will be applied in a modified-retrospective approach through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is implemented. The Company is currently assessing the future impact of ASU 2016-13.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows (Topic 230) Classification of Certain Cash Receipts and Cash Payments to reduce diversity in practice in how certain cash receipts and cash payments are classified in the regulatory-basis statement of cash flows. The new guidance addresses the following classification issues: debt prepayment or debt extinguishment costs; settlement of zero-coupon bonds; contingent consideration payments made after a business combination; proceeds from the settlement of insurance claims; proceeds from the settlement of corporate-owned life insurance policies, including bank-owned life insurance policies; distributions received from equity method investees; beneficial interests in securitization transactions; and separately identifiable cash flows and application of the predominance principle. For public business entities, the provisions of ASU 2016-15 are effective for fiscal years and interim periods within that reporting period beginning after December 15, 2017. Early adoption is permitted, including adoption in an interim period. If an entity elects early adoption of ASU 2016-15 in an interim period, adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. An entity that elects early adoption must adopt all of the amendments in the same period. ASU 2016-15 will be applied using a retrospective transition method to each period presented. If it is impracticable to apply ASU 2016-15 retrospectively for some of the issues, the amendments for those issues may be applied prospectively as of the earliest date practicable. The Company is currently assessing the future impact of this ASU.

In December 2016, the FASB issued ASU 2016-19, Technical Corrections and Improvements, which amends a number of Topics in the FASB ASC. This ASU is part of an ongoing FASB project to facilitate Codification updates for non-substantive technical corrections, clarifications, and improvements that are not expected to have a significant effect on accounting practice or create a significant administrative cost to most entities. Most of the amendments are effective upon issuance of ASU 2016-19 while certain amendments that require transition guidance are effective for the Company beginning January 1, 2017. The Company believes it is in compliance with those amendments that are effective immediately and that are applicable to the Company. The Company has not completed its evaluation of the new standard for amendments that require transition guidance.

C. Regulation

General

The rates and services of the Company are regulated by incorporated municipalities in Texas, the PUCT, the NMPRC and the FERC. Municipal orders, ordinances and other agreements regarding rates and services adopted by Texas municipalities are subject to review and approval by the PUCT. The FERC has jurisdiction over the Company's wholesale (sales for resale) transactions, transmission service and compliance with federally-mandated reliability standards. The decisions of the PUCT, the NMPRC and the FERC are subject to judicial review.

Texas Regulatory Matters

2015 Texas Retail Rate Case Filing. On August 10, 2015, the Company filed with the City of El Paso, other municipalities incorporated in its Texas service territory, and the PUCT in Docket No. 44941, a request for an annual increase in non-fuel base revenues (the "2015 Texas Retail Rate Case").

On July 21, 2016, the parties to PUCT Docket No. 44941 filed the Joint Motion to Implement Uncontested Amended and Restated Stipulation and Agreement which was unopposed by the parties (the "Unopposed Settlement"). On August 25, 2016, the PUCT approved the Unopposed Settlement and issued its final order in Docket No. 44941 (the "PUCT Final Order"), as proposed. The PUCT Final Order provided for: (i) an annual non-fuel base rate increase, lower annual depreciation expense, a revised return on equity for AFUDC purposes, and the inclusion of substantially all new plant in service in rate base; (ii) an additional annual non-fuel base rate increase of $3.7 million related to Four Corners Generating Station ("Four Corners") costs, which will be collected through a surcharge terminating on July 12, 2017; (iii) removing the separate rate treatment for residential customers with solar systems that the Company had proposed in its August 10, 2015 filing; (iv) allowing the Company to recover $3.1 million in rate case expenses through a separate surcharge and (v) allowing the Company to recover revenues associated with the relate back of rates to consumption on and after January 12, 2016 through March 31, 2016 through a separate surcharge.

Interim rates, associated with the annual non-fuel base rate increase, became effective on April 1, 2016. The additional surcharges associated with the incremental Four Corners costs, rate case expenses and the relate back of rates to consumption on and after January 12, 2016 through March 31, 2016 were implemented on October 1, 2016.

For financial reporting purposes, the Company deferred any recognition of the Company's request in its 2015 Texas Retail Rate Case until it received the PUCT Final Order on August 25, 2016. Accordingly, it reported in the third quarter of 2016 the cumulative effect of the PUCT Final Order which related back to January 12, 2016.

2017 Texas Retail Rate Case Filing. On February 13, 2017, the Company filed with the City of El Paso, other municipalities incorporated in the Company's Texas service territory and the PUCT in Docket No. 46831, a request for an increase in non-fuel base revenues of approximately $42.5 million. The Company invoked its statutory right to have its new rates relate back for consumption on and after July 18, 2017, which is the 155th day after the filing. The difference in rates that would have been billed will be surcharged or refunded to customers after the PUCT's final order in Docket No. 46831. The PUCT has the authority to require the Company to surcharge or refund such difference over a period not to exceed 18 months. The Company cannot predict the outcome or the timing of this rate case at this time.

Energy Efficiency Cost Recovery Factor. On May 1, 2015, the Company filed its annual application to establish its energy efficiency cost recovery factor for 2016. In addition to projected energy efficiency costs for 2016 and a true-up to prior year actual costs, the Company requested approval of a $1.0 million bonus for the 2014 energy efficiency program results in accordance with PUCT rules. This case was assigned PUCT Docket No. 44677. A stipulation and settlement agreement was filed September 24, 2015 and the PUCT approved the settlement on November 5, 2015. The settlement approved by the PUCT included a performance bonus of $1.0 million. The Company recorded the performance bonus in operating revenues in the fourth quarter of 2015.

On April 29, 2016, the Company filed its annual application to establish its energy efficiency cost recovery factor for 2017. In addition to projected energy efficiency costs for 2017 and true-up to prior year actual costs, the Company requested approval of a $0.7 million bonus for the 2015 energy efficiency program results in accordance with PUCT rules. This case was assigned PUCT Docket No. 45885. Parties in the proceeding, including PUCT staff and the City of El Paso, filed a settlement in the case that approved the Company's proposal with a reduction to the 2015 program bonus of $0.2 million. The PUCT approved the settlement on October 28, 2016. The settlement approved by the PUCT included a performance bonus of $0.5 million which was recorded in operating revenues in the third quarter of 2016.

Fuel and Purchased Power Costs. The Company's actual fuel costs, including purchased power energy costs, are recovered from customers through a fixed fuel factor. The PUCT has adopted a fuel cost recovery rule (the "Texas Fuel Rule") that allows the Company to seek periodic adjustments to its fixed fuel factor. The Company can seek to revise its fixed fuel factor based upon the approved formula at least four months after its last revision except in the month of December. The Texas Fuel Rule requires the Company to request to refund fuel costs in any month when the over-recovery balance exceeds a threshold material amount and it expects fuel costs to continue to be materially over-recovered. The Texas Fuel Rule also permits the Company to seek to surcharge fuel under-recoveries in any month the balance exceeds a threshold material amount and it expects fuel cost recovery to continue to be materially under-recovered. Fuel over and under-recoveries are considered material when they exceed 4% of the previous twelve months' fuel costs. All such fuel revenue and expense activities are subject to periodic final review by the PUCT in fuel reconciliation proceedings.

On April 15, 2015, the Company filed a request, which was assigned PUCT Docket No. 44633, to reduce its fixed fuel factor by approximately 24% to reflect reduced fuel expenses primarily related to a reduction in the price of natural gas used to generate power. The over-recovered balance was below the PUCT's materiality threshold. The reduction in the fixed fuel factor was effective on an interim basis May 1, 2015 and approved by the PUCT on May 20, 2015.

On November 30, 2016, the Company filed a request, which was assigned PUCT Docket No. 46610, to increase its fixed fuel factor by approximately 28.8% to reflect increased fuel expenses primarily related to an increase in the price of natural gas used to generate power. The increase in the fixed fuel factor was effective on an interim basis January 1, 2017 and approved by the PUCT on January 10, 2017. As of December 31, 2016, the Company had under-recovered fuel costs in the amount of $11.1 million for the Texas jurisdiction.

Fuel Reconciliation Proceeding. On September 27, 2016, the Company filed an application with the PUCT, designated as PUCT Docket No. 46308, to reconcile $436.6 million of Texas fuel and purchased power expenses incurred during the period of April 1, 2013 through March 31, 2016. A procedural schedule has been adopted with hearings in April 2017. The Company is currently engaged in settlement discussions with all parties. The previously scheduled pre-hearing conferences and hearings on the merits have been cancelled. The Company cannot predict the outcome or the timing of this matter.

As of December 31, 2016, Texas jurisdictional fuel and purchased power costs subject to a future Texas fuel reconciliation are approximately $114.4 million.

Montana Power Station Approvals. The Company received Certificate of Convenience and Necessity ("CCN") approval from the PUCT to construct four natural gas fired generating units at Montana Power Station ("MPS") in El Paso County, Texas. The Company also obtained air permits from the Texas Commission on Environmental Quality (the "TCEQ") and the U.S. Environmental Protection Agency (the "EPA"). MPS Units 1 and 2 and associated transmission lines and common facilities were completed and placed into service in March 2015. MPS Units 3 and 4 were completed and placed into service on May 3, 2016 and September 15, 2016, respectively.

Community Solar. On June 8, 2015, the Company filed a petition with the PUCT to initiate a community solar program that includes the construction and ownership of a 3 MW solar photovoltaic system located at MPS. Participation will be on a voluntary basis, and customers will contract for a set capacity (kW) amount and receive all energy produced. This case was assigned PUCT Docket No. 44800. The Company filed a settlement agreement among all parties on July 1, 2016 approving the program, and the PUCT approved the settlement agreement and program on September 1, 2016. The Company expects completion of the solar facility and commencement of the program in the second quarter of 2017.

Four Corners. On February 17, 2015, the Company and Arizona Public Service Company ("APS") entered into an asset purchase agreement (the "Purchase and Sale Agreement") providing for the sale of the Company's interest in Four Corners to APS. The sale of the Company's interest in Four Corners closed on July 6, 2016. See Note E for further details on the sale of Four Corners.

On June 10, 2015, the Company filed an application in Texas requesting reasonableness and public interest findings and certain rate and accounting findings related to the Purchase and Sale Agreement. This case was assigned PUCT Docket No. 44805. Subsequent to the filing of the application, the case has been subject to numerous procedural matters, including a March 23, 2016 order in which the PUCT determined not to dismiss the reasonableness and public interest issues in this docket but to consider the requested rate and accounting findings, including mine reclamation costs, in a rate case proceeding. On September 1, 2016, a motion by parties in the proceeding to suspend the procedural schedule in order to pursue settlement was approved. On March 3, 2017, the Company filed a Joint Motion to Implement Stipulation and Agreement, and commission Staff filed its recommendation that the Company's disposition of the Four Corners Power Plant was reasonable and consistent with the public interest. A final order approving the Stipulation and Agreement was adopted by the PUCT on March 30, 2017.

At December 31, 2016, the regulatory asset associated with the Four Corners mine reclamation costs for the Company’s Texas jurisdiction was approximately $7.3 million. Until otherwise determined, the Company will continue to recover its mine reclamation costs in Texas under previous orders and decisions of the PUCT. The Stipulation and Agreement also acknowledged an agreement among the parties related to the rate and accounting treatment of certain costs of Four Corners, including coal reclamation costs. Pursuant to the commission’s order in PUCT Docket No. 44805, recovery of these costs will be addressed in appropriate base rate and fuel-related proceedings. If the PUCT makes a determination that results in changes to how existing regulatory assets or previously incurred costs for Four Corners are recovered in rates, any such changes will be recognized for financial reporting purposes only when it becomes probable future cash flows will change as a result of such regulatory actions.

Other Required Approvals. The Company has obtained other required approvals for tariffs and approvals required by the Public Utility Regulatory Act (the "PURA") and the PUCT.

New Mexico Regulatory Matters

2015 New Mexico Rate Case Filing. On May 11, 2015, the Company filed a request with the NMPRC, in Case No. 15-00127-UT, for an annual increase in non-fuel base rates. On June 8, 2016, the NMPRC issued its final order in Case No. 15-00127-UT (the "NMPRC Final Order") which approved an annual increase in non-fuel base rates of approximately $0.6 million, an increase of approximately $0.5 million in other service fees and a decrease in the Company's allowed return on equity to 9.48%. The NMPRC Final Order concluded that all of the Company's new plant in service was reasonable and necessary and therefore would be recoverable in rates. The Company's rates were approved by the NMPRC effective July 1, 2016 and implemented at such time.

2017 New Mexico Rate Case Filing. NMPRC Case No. 15-00109-UT requires the Company to make a rate filing in New Mexico in the second quarter of 2017 using a historical test year ended December 31, 2016. On March 24, 2017, the Company, NMPRC Utility Division Staff and the New Mexico Attorney General filed a Joint Motion to Modify Filing Date Stated in Final Order requesting that the rate filing date be changed to no later than July 31, 2019, using the appropriate historical test year period. The joint request is expected to be decided by the NMPRC in the second quarter of 2017.

Fuel and Purchased Power Costs. On January 8, 2014, the NMPRC approved the continuation of the Fuel and Purchased Power Cost Adjustment Clause (the "FPPCAC") without modification in NMPRC Case No. 13-00380-UT. Historically, fuel and purchased power costs were recovered through base rates and a FPPCAC that accounts for changes in the costs of fuel relative to the amount included in base rates. Effective July 1, 2016, with the implementation of the final order in Case No. 15-00127-UT, fuel and purchased power costs are no longer recovered through base rates but are recovered through the FPPCAC. Fuel and purchased power costs are reconciled to actual costs on a monthly basis and recovered or refunded to customers the second succeeding month. The Company recovers costs related to Palo Verde Unit 3 capacity and energy in New Mexico through the FPPCAC as purchased power using a proxy market price approved in Case No. 13-00380-UT. The Company's request to reconcile its fuel and purchased power costs for the period January 1, 2013 through December 31, 2014 was approved in Case No. 15-00127-UT. New Mexico jurisdictional costs subject to prudence review are costs from January 1, 2015 through December 31, 2016 that total approximately $114.6 million. At December 31, 2016, the Company had a net fuel over-recovery balance of $0.2 million in New Mexico.

Montana Power Station Approvals. The Company received CCNs from the NMPRC to construct four units at MPS and the associated transmission lines. The Company also obtained all necessary air permits from the TCEQ and the EPA. A final order in NMPRC Case No. 13-00297-UT approving the CCN for MPS Units 3 and 4 was issued on June 11, 2014. MPS Units 1 and 2 and associated transmission lines and common facilities were completed and placed into service in March 2015. MPS Units 3 and 4 were completed and placed into service on May 3, 2016 and September 15, 2016, respectively.

Four Corners. On June 15, 2016, in NMPRC Case No. 15-00109-UT, the NMPRC issued its final order approving the Company's sale and abandonment of its ownership interest in Four Corners to APS pursuant to a February 17, 2015 Purchase and Sale Agreement between the Company and APS. See Note E for further details on the sale of Four Corners.

5 MW Holloman Air Force Base ("HAFB") Facility CCN. On October 7, 2015, in NMPRC Case No. 15-00185-UT, the NMPRC issued a final order approving a CCN for a 5 MW solar power generation facility located on HAFB in the Company's service territory in New Mexico. The Company and HAFB negotiated a special retail contract, which includes power sales agreement for the facility, to replace the existing load retention agreement which was approved by final order issued October 5, 2016 in NMPRC Case No. 16-00224-UT. Construction of the solar generation facility is expected to be completed in the third quarter of 2017.

New Mexico Efficient Use of Energy Recovery Factor. On July 1, 2016, the Company filed its annual application requesting approval of its 2017 Energy Efficiency and Load Management Plan and to establish energy efficiency cost recovery factors for 2017. In addition to projected energy efficiency costs for 2017, the Company requested approval of a $0.4 million incentive for 2017 energy efficiency programs in accordance with NMPRC rules. This case was assigned Case No. 16-00185-UT. On February 22, 2017, the NMPRC issued a Final Order approving the Company's 2017 Energy Efficiency and Load Management Plan and authorizing recovery in 2017 of a base incentive of $0.4 million, with the opportunity to earn up to $0.4 million based on verified program energy savings in 2017. The Company's energy efficiency cost recovery factors were approved effective in customer bills beginning March 1, 2017. In addition, on July 1, 2016, the Company filed its 2015 Annual Report for Energy Efficiency Programs which included an incentive for verified 2015 program performance of $0.3 million, which was approved in Case No. 13-00187-UT . The Company recorded the $0.3 million approved incentive in operating revenues in the first quarter of 2017.

Issuance of Long-Term Debt and Guarantee of Debt. On October 7, 2015 the Company received approval in NMPRC Case No. 15-00280-UT to issue up to $310.0 million of new long-term debt and to guarantee the issuance of up to $65.0 million of new debt by Rio Grande Resources Trust ("RGRT") to finance future purchases of nuclear fuel and to refinance existing nuclear fuel debt obligations. This approval supersedes prior approvals. Under this authorization, on March 24, 2016, the Company issued $150.0 million aggregate principal amount of 5.00% Senior Notes due December 1, 2044. The net proceeds from the issuance of these senior notes, after deducting the underwriters' commission, were $158.1 million. These proceeds include accrued interest of $2.4 million and a $7.1 million premium before expenses. These senior notes constitute an additional issuance of the Company's 5.00% Senior Notes due 2044, of which $150.0 million was previously issued on December 1, 2014, for a total principal amount outstanding of $300.0 million.

Other Required Approvals. The Company has obtained other required approvals for other tariffs, securities transactions, recovery of energy efficiency costs through a base rate rider and other approvals as required by the NMPRC.

Federal Regulatory Matters

Four Corners. On June 26, 2015, APS filed an application requesting authorization from FERC to purchase 100% of the Company's ownership interest in Units 4 and 5 of Four Corners and the associated transmission interconnection facilities and rights. On December 22, 2015, FERC issued an order approving the proposed transaction. The sale of the Company's interest in Four Corners closed on July 6, 2016. See Note E for further details on the sale of Four Corners.

Revolving Credit Facility; Issuance of Long-Term Debt and Guarantee of Debt. On October 19, 2015, the FERC issued an order in Docket No. ES15-66-000 approving the Company's filing to issue short-term debt under the revolving credit facility ("RCF") up to $400.0 million outstanding at any time, to issue up to $310.0 million in long-term debt, and to guarantee the issuance of up to $65.0 million of new long-term debt by RGRT to finance future nuclear fuel purchases. The authorization is effective from November 15, 2015 through November 15, 2017. This approval supersedes prior approvals.

Under this authorization, on March 24, 2016, the Company issued $150.0 million aggregate principal amount of 5.00% Senior Notes due December 1, 2044. Additionally under this authorization, on January 9, 2017, the Company exercised its option to extend the maturity of the RCF by one year to January 14, 2020 and to increase the size of the facility by $50.0 million to $350.0 million. The Company still has the option to extend the facility by one additional year to January 2021 and to increase the RCF by up to $50.0 million (up to a total of $400.0 million) upon the satisfaction of certain conditions, more fully set forth in the agreement, including obtaining commitments from lenders or third party financial institutions. Additionally, the Company agreed to reduce the letters of credit commitment to $50.0 million from a total commitment, under the RCF, of $350.0 million.

Other Required Approvals. The Company has obtained required approvals for rates and tariffs, securities transactions and other approvals as required by the FERC.

United States Department of Energy ("DOE"). The DOE regulates the Company's exports of power to the Comisión Federal de Electricidad in Mexico pursuant to a license and two presidential permits issued by the DOE.

The DOE is authorized to assess operators of nuclear generating facilities a share of the costs of decommissioning the DOE's uranium enrichment facilities and for the ultimate costs of disposal of spent nuclear fuel. See Note E for discussion of spent fuel storage and disposal costs.

Sales for Resale

The Company provides firm capacity and associated energy to the Rio Grande Electric Cooperative ("RGEC") pursuant to an ongoing contract with a two-year notice to terminate provision. The Company also provides network integrated transmission service to the RGEC pursuant to the Company's Open Access Transmission Tariff ("OATT"). The contract includes a formula-based rate that is updated annually to recover non-fuel generation costs and a fuel adjustment clause designed to recover all eligible fuel and purchased power costs allocable to the RGEC.

D. Regulatory Assets and Liabilities

The Company's operations are regulated by the PUCT, the NMPRC and the FERC. Regulatory assets represent probable future recovery of previously incurred costs, which will be collected from customers through the ratemaking process. Regulatory liabilities represent probable future reductions in revenues associated with amounts that are to be credited to customers through the ratemaking process. Regulatory assets and liabilities reflected in the Company's regulatory-basis balance sheet are presented below (in thousands):

	Amortization Period Ends	December 31, 2016	December 31, 2015
Regulatory assets			
Regulatory tax assets (a)	(b)	$ 98,841	$ 117,480
Final coal reclamation (c)	(c)	8,181	9,520
New Mexico Four Corners decommissioning (d)	(d)	1,400	—
Nuclear fuel postload daily financing charge	(d)	4,100	4,539
Texas energy efficiency	(e)	—	25
Texas 2015 rate case costs	September 2018	2,670	1,882
Texas 2017 rate case costs	(f)	246	—
Texas relate back surcharge	(g)	6,455	—
New Mexico renewable energy credits and related costs (h)	June 2022	6,937	6,397
New Mexico 2010 FPPCAC audit	June 2019	398	434
New Mexico Palo Verde deferred depreciation	(b)	4,415	4,568
New Mexico 2015 rate case costs	June 2019	1,074	1,288
New Mexico 2017 rate case costs	(f)	10	—
Undercollection of fuel revenues	(d)	11,123	—
Total regulatory assets		$ 145,850	$ 146,133
Regulatory liabilities			
Regulatory tax liabilities (a)	(b)	$ 35,187	$ 47,836
Texas energy efficiency	(e)	1,288	—
New Mexico energy efficiency	(e)	2,159	2,238
Texas military base discount and recovery factor	(i)	184	788
New Mexico gain on sale of assets (j)	June 2019	828	—
Overcollection of fuel revenues	(k)	255	4,023
Total regulatory liabilities		$ 39,901	$ 54,885

(a) We do not earn a return on these items since the related accumulated deferred income tax assets and liabilities offset.
(b) The amortization periods for these assets and liabilities are based upon the life of the associated assets or liabilities.
(c) This item relates to Four Corners costs. The amount is to be recorded through fuel recovery mechanisms established by tariffs over a seven-year period. See Note C.
(d) This item relates to Four Corners costs. The amount is to be recovered in base rates established by tariffs over a seven-year period.

(e) This item is recovered or credited through a recovery factor that is set annually.
(f) Amortization period is anticipated to be established in next general rate case.
(g) This item relates to the recovery of revenues through a separate surcharge beginning October 1, 2016 and ending September 30, 2017. See Note C.
(h) This item relates to renewable energy credits and procurement plan costs, components approved for recovery in the New Mexico 2015 rate case.
(i) This item represents the net asset/net liability related to the military discount which is recovered from non-military customers through a recovery factor that is set annually.
(j) This item relates to the gains on the sales of assets the Company shares with its New Mexico customers over a three year period.
(k) This item is refunded through fuel adjustment mechanisms in each jurisdiction.

E. Utility Plant, Palo Verde and Other Jointly-Owned Utility Plant

The table below presents the balance of each major class of depreciable assets at December 31, 2016 (in thousands):

	Gross Plant	Accumulated Depreciation	Net Plant
Nuclear production	$ 1,867,543	$ (1,222,958)	$ 644,585
Steam and other	990,545	(253,476)	737,069
Total production	2,858,088	(1,476,434)	1,381,654
Transmission	454,294	(218,601)	235,693
Distribution	1,111,589	(348,309)	763,280
General	212,047	(62,913)	149,134
Intangible	84,342	(55,463)	28,879
Total	$ 4,720,360	$ (2,161,720)	$ 2,558,640

During 2016, depreciation decreased due to changes in rates approved in the PUCT Final Order and the NMPRC Final Order. The change, effective in January 2016 for Texas and July 2016 for New Mexico, reduced depreciation expense in 2016 by $10.9 million.

Amortization of intangible plant (software) is provided on a straight-line basis over the estimated useful life of the asset (ranging from 3 to 15 years). Effective July 2015, the Company changed the estimated useful life of certain large intangible software systems which decreased depreciation during 2015 by $1.8 million. The table below presents the actual and estimated amortization expense for intangible plant for 2015 and 2016 and for the next five years (in thousands):

2015	$ 6,482
2016	5,302
2017 (estimated)	5,148
2018 (estimated)	4,631
2019 (estimated)	4,242
2020 (estimated)	3,808
2021 (estimated)	3,227

The Company owns a 15.8% interest in each of the three nuclear generating units and common facilities at Palo Verde, in Wintersburg, Arizona. The Palo Verde Participants include the Company and six other utilities: APS, Southern California Edison Company ("SCE"), PNM, Southern California Public Power Authority, Salt River Project Agricultural Improvement and Power District ("SRP") and the Los Angeles Department of Water and Power.

A summary of the Company's investment in jointly-owned utility plant, excluding fuel inventories, at December 31, 2016 and 2015 is as follows (in thousands):

	December 31, 2016		December 31, 2015	
	Palo Verde	Other (a)	Palo Verde	Other (a)
Electric plant in service	$ 1,867,543	$ 87,457	$ 1,841,422	$ 187,234
Accumulated depreciation	(1,222,958)	(64,686)	(1,211,286)	(139,796)
Construction work in progress	50,598	1,895	48,938	9,529
Total	$ 695,183	$ 24,666	$ 679,074	$ 56,967

(a) 2015 other jointly-owned utility plant includes a 7% interest in Units 4 and 5 at Four Corners and certain other transmission facilities which the Company sold on July 6, 2016.

Palo Verde

The operation of Palo Verde and the relationship among the Palo Verde Participants is governed by the Arizona Nuclear Power Project Participation Agreement (the "ANPP Participation Agreement"). APS serves as operating agent for Palo Verde, and under the ANPP Participation Agreement, the Company has limited ability to influence operations and costs at Palo Verde. Pursuant to the ANPP Participation Agreement, the Palo Verde Participants share costs and generating entitlements in the same proportion as their percentage interests in the generating units, and each participant is required to fund its share of fuel, other operations, maintenance and capital costs. The Company's share of direct expenses in Palo Verde and other jointly-owned utility plants is reflected in fuel expense, other operations expense, maintenance expense, miscellaneous other deductions, and taxes other than income taxes in the Company's regulatory-basis statement of income. The ANPP Participation Agreement provides that if a participant fails to meet its payment obligations, each non-defaulting participant shall pay its proportionate share of the payments owed by the defaulting participant. Because it is impracticable to predict defaulting participants, the Company cannot estimate the maximum potential amount of future payment, if any, which could be required under this provision.

Nuclear Regulatory Commission ("NRC"). The NRC regulates the operation of all commercial nuclear power reactors in the United States, including Palo Verde. The NRC periodically conducts inspections of nuclear facilities and monitors performance indicators to enable the agency to arrive at objective conclusions about a licensee's safety performance.

Palo Verde Operating Licenses. Operation of each of the three Palo Verde units requires an operating license from the NRC. The NRC issued full power operating licenses for Unit 1 in June 1985, Unit 2 in April 1986 and Unit 3 in November 1987 and issued renewed operating licenses for each of the three units in April 2011, which extended the licenses for Units 1, 2 and 3 to June 2045, April 2046 and November 2047, respectively.

Decommissioning. Pursuant to the ANPP Participation Agreement and federal law, the Company funds its share of the estimated costs to decommission Palo Verde Units 1, 2 and 3, including the Common Facilities, through the term of their respective operating licenses and is required to maintain a minimum accumulation and funding level in its decommissioning account at the end of each annual reporting period during the life of the plant. The Company has established external trusts with an independent trustee, which enables the Company to record a current deduction for federal income tax purposes for most of the amounts funded. At December 31, 2016, the Company's decommissioning trust fund had a balance of $255.7 million, which is above its minimum funding level. The Company monitors the status of its decommissioning funds and adjusts its deposits, if necessary.

Decommissioning costs are estimated every three years based upon engineering cost studies performed by outside engineers retained by APS. In December 2013, the Palo Verde Participants approved the 2013 Palo Verde decommissioning study (the "2013 Study"). The 2013 Study estimated that the Company must fund approximately $380.7 million (stated in 2013 dollars) to cover its share of decommissioning costs which was an increase in decommissioning costs of $23.3 million (stated in 2013 dollars) from the 2010 Palo Verde decommissioning study. However, because the cash flows from the 2013 Study were less than the inflated amounts from the 2010 Study, the effect of this change lowered the ARO by $1.9 million which lowered annual expenses starting in January 2014. Although the 2013 Study was based on the latest available information, there can be no assurance that decommissioning cost estimates will not increase in the future or that regulatory requirements will not change. In addition, until a new low-level radioactive waste repository opens and operates for a number of years, estimates of the cost to dispose of low-level radioactive waste are subject to uncertainty. As provided in the ANPP Participation Agreement, the participants are required to conduct a new decommissioning study every three years. The 2016 Palo Verde decommissioning study was finalized April 7, 2017 and the effects of such study are not significant to the financial statements. Based on the study the ARO and the corresponding ARO asset will increase approximately $3.1 million which will be recognized in the first quarter of 2017. While the Company attempts to seek amounts in rates to meet its decommissioning obligations, it is not able to conclude given the evidence available to it now that it is probable these costs will continue to be collected over the period until decommissioning begins in 2044. The Company is ultimately responsible for these costs and its future actions combined with future decisions from regulators will determine how successful the Company is in this effort.

Spent Nuclear Fuel and Waste Disposal. Pursuant to the Nuclear Waste Policy Act of 1982, as amended in 1987 (the "NWPA"), the DOE is legally obligated to accept and dispose of all spent nuclear fuel and other high-level radioactive waste generated by all domestic power reactors by 1998. The DOE's obligations are reflected in a contract for Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste (the "Standard Contract") with each nuclear power plant. The DOE failed to begin accepting spent nuclear fuel by 1998. On December 19, 2012, APS, acting on behalf of itself and the Palo Verde Participants, filed a second breach of contract lawsuit against the DOE. This lawsuit sought to recover damages incurred due to the DOE’s failure to accept Palo Verde’s spent nuclear fuel for the period beginning January 1, 2007 through June 30, 2011. On August 18, 2014, APS and the DOE entered into a settlement agreement stipulating to a dismissal of the lawsuit and payment of $57.4 million by the DOE to the Palo Verde Participants for certain specified costs incurred by Palo Verde during the period January 1, 2007 through June 30, 2011. On October 8, 2014, the Company received approximately $9.1 million, representing its share of the award, of which $7.9 million was refunded to customers through the applicable fuel adjustment clauses. On October 31, 2014, APS, acting on behalf of itself and the Palo Verde Participants, submitted to the government an additional request for reimbursement of spent nuclear fuel storage costs for the period July 1, 2011 through June 30, 2014. The accepted claim amount was $42.0 million. On June 1, 2015, the Company received approximately $6.6 million, representing its share of the award, of which $5.8 million was credited to customers through the applicable fuel adjustment clauses in March 2015. After June 2015, APS will file annual claims for the period July 1 of the then-previous year to June 30 of the then-current year. On November 2, 2015, APS filed a $12.0 million claim for the period July 1, 2014 through June 30, 2015. In February 2016, the DOE notified APS of the approval of the claim. The Company's share of this claim is approximately $1.9 million, of which $1.6 million was credited to customers through the applicable fuel adjustment clauses in March 2016. On October 31, 2016 APS filed an $11.3 million claim for the period July 1, 2015 through June 30, 2016. On February 1, 2017, the DOE notified APS of the approval of the claim. On March 10, 2017, the Company received approximately $1.8 million, representing its share of the award, of which $1.4 million was credited to customers through the applicable fuel adjustment clauses in March 2017.

DOE’s Construction Authorization Application for Yucca Mountain. The DOE had planned to meet its disposal obligations by designing, licensing, constructing and operating a permanent geologic repository in Yucca Mountain, Nevada. In March 2010, the DOE filed a motion to dismiss with prejudice its Yucca Mountain construction authorization application that was pending before the NRC. Several interested parties have intervened in the NRC proceeding, and the proceeding has not been conclusively decided by the NRC or the courts. The Company cannot predict when spent fuel shipments to the DOE will commence.

Palo Verde has sufficient capacity at its on-site independent spent fuel storage installation (“ISFSI”) to store all of the nuclear fuel that will be irradiated during the initial operating license period, which ends in December 2027. Additionally, Palo Verde has sufficient capacity at its on-site ISFSI to store a portion of the fuel that will be irradiated during the period of extended operation, which ends in November 2047. If uncertainties regarding the United States government’s obligation to accept and store spent fuel are not favorably resolved, APS will evaluate alternative storage solutions that may obviate the need to expand the ISFSI to accommodate all of the fuel that will be irradiated during the period of extended operation.

Liability and Insurance Matters. The Palo Verde Participants have insurance for public liability resulting from nuclear energy hazards to the full limit of liability under federal law, which is currently at $13.4 billion. This potential liability is covered by primary liability insurance provided by commercial insurance carriers in the amount of $450.0 million, and the balance is covered by an industry-wide retrospective assessment program. If a loss at a nuclear power plant covered by the programs exceeds the accumulated funds in the primary level of protection, the Company could be assessed retrospective premium adjustments on a per incident basis. Under federal law, the maximum assessment per reactor under the program for each nuclear incident is approximately $127.3 million, subject to an annual limit of $19.0 million. Based upon the Company's 15.8% interest in the three Palo Verde units, the Company's maximum potential assessment per incident for all three units is approximately $60.4 million, with an annual payment limitation of approximately $9.0 million.

The Palo Verde Participants maintain $2.75 billion of "all risk" nuclear property insurance. The insurance provides coverage for property damage and decontamination at Palo Verde. For covered incidents involving property damage not accompanied by a release of radioactive material, the policy's coverage limit is $2.25 billion. The Company has also secured insurance against portions of any increased cost of generation or purchased power and business interruption resulting from a sudden and unforeseen outage of any of the three units. The insurance coverage discussed in this and the previous paragraph is subject to certain policy conditions and exclusions. A mutual insurance company whose members are utilities with nuclear facilities issues these policies. If losses at any nuclear facility covered by this mutual insurance company were to exceed the accumulated funds for these insurance programs, the Company could be assessed retrospective premium adjustments of up to $12.9 million for the current policy period.

Four Corners

On February 17, 2015, the Company and APS entered into the Purchase and Sale Agreement providing for the sale of the Company's interests in Four Corners to APS. Four Corners continued to provide energy to serve the Company's native load up to the closing date of the sale on July 6, 2016. Also on July 6, 2016, prior to the closing of the transaction, the Company and APS entered into an amendment to the Purchase and Sale Agreement pursuant to which APS assigned its right, title and interest in the Purchase and Sale Agreement to its affiliate 4C Acquisition, LLC ("APS's affiliate"), and Pinnacle West Capital Corporation, the parent company of APS and APS's affiliate ("Pinnacle West"), guaranteed APS's affiliate's obligations under the Purchase and Sale Agreement. The sales price was $32.0 million, which was based on the net book value as defined in the Purchase and Sale Agreement. The sales price was adjusted downward by $7.0 million and $19.5 million, respectively, to reflect the assumption by APS's affiliate of the Company's obligation to pay for future plant decommissioning and mine reclamation expenses. The sales price was also adjusted downward by approximately $1.3 million for estimated closing adjustments and other assets and liabilities assumed by APS's affiliate. At the closing, the Company received approximately $4.2 million in cash, subject to post-closing adjustments. No significant gain or loss was recorded after the closing date. APS's affiliate assumed responsibility for all Four Corners capital expenditures made after July 6, 2016, which assumption is guaranteed by Pinnacle West. In addition, APS's affiliate will indemnify the Company against certain liabilities and costs related to the future operation of Four Corners, which indemnification is guaranteed by Pinnacle West. See Note C for a discussion of regulatory filings associated with Four Corners.

F. Accounting for Asset Retirement Obligation

The Company complies with FERC Order No. 631 guidance for ARO. FERC Order No. 631 affects the accounting for the decommissioning of Palo Verde and the method used to report the decommissioning obligation. The Company also complies with the FASB guidance for conditional ARO which primarily affects the accounting for the disposal obligations of the Company's fuel oil storage tanks, water wells, evaporative ponds and asbestos found at the Company's gas-fired generating plants. The Company's ARO are subject to various assumptions and determinations such as: (i) whether a legal obligation exists to remove assets; (ii) estimation of the fair value of the costs of removal; (iii) when final removal will occur; (iv) future changes in decommissioning cost escalation rates; and (v) the credit-adjusted interest rates to be utilized in discounting future liabilities. Changes that may arise over time with regard to these assumptions and determinations will change amounts recorded in the future as an expense for ARO. The Company records the increase in the ARO due to the passage of time as an operating expense (accretion expense). If the Company incurs or assumes any liability in retiring any asset at the end of its useful life without a legal obligation to do so, it will record such retirement costs as incurred.

The ARO liability for Palo Verde is based upon the estimated cost of decommissioning the plant from the 2013 Palo Verde decommissioning study. See Note E. The ARO liability is calculated by adjusting the estimated decommissioning costs for spent fuel storage and a profit margin and market-risk premium factor. The resulting costs are escalated over the remaining life of the plant and finally discounted using a credit-risk adjusted discount rate. As Palo Verde approaches the end of its estimated useful life, the difference between the ARO liability and future current cost estimates will narrow over time due to the accretion of the ARO liability. Because the DOE is obligated to assume responsibility for the permanent disposal of spent fuel, spent fuel costs have not been included in the ARO calculation. The Company maintains six external trust funds with an independent trustee that are legally restricted to settling its ARO at Palo Verde. The fair value of the funds at December 31, 2016 is $255.7 million.

FERC Order No. 631 guidance requires the Company to revise its previously recorded ARO for any changes in estimated cash flows including changes in estimated probabilities related to timing of settlements. Any changes that result in an upward revision to estimated cash flows shall be treated as a new liability. Any downward revisions to the estimated cash flows result in a reduction to the previously recorded ARO. In December 2013, the Company implemented the 2013 Palo Verde decommissioning study, and as a result, revised its ARO related to Palo Verde to decrease its estimated cash flows from the 2010 Study to the 2013 Study (see Note E). The assumptions used to calculate the Palo Verde ARO liability are as follows:

	Escalation Rate	Credit-Risk Adjusted Discount Rate
Original ARO liability	3.60%	9.50%
Incremental ARO liability	3.60%	6.20%

An analysis of the activity of the Company's total ARO liability from January 1, 2015 through December 31, 2016, including the effects of each year's estimate revisions, is presented below. In 2016, the settled liabilities reflect the sale of the Company's interest in Four Corners including the related ARO.

	2016	2015
ARO liability at beginning of year	$ 81,621	$ 74,577
Liabilities incurred	—	189
Liabilities settled	(6,993)	—
Revisions to estimate	—	—
Accretion expense	7,172	6,855
ARO liability at end of year	$ 81,800	$ 81,621

The Company has transmission and distribution lines which are operated under various property easement agreements. If the easements were to be released, the Company may have a legal obligation to remove the lines; however, the Company has assessed the likelihood of this occurring as remote. The majority of these easements include renewal options which the Company routinely exercises. The amount of cost of removal collected in rates for non-legal liabilities has not been material.

G. Common Stock

Overview

The Company's common stock has a stated value of $1 per share, with no cumulative voting rights or preemptive rights. Holders of the common stock have the right to elect the Company's directors and to vote on other matters.

Long-Term Incentive Plan

On May 29, 2014, the Company's shareholders approved an amended and restated stock-based long-term incentive plan (the "Amended and Restated 2007 LTIP") and authorized the issuance of up to 1.7 million shares of the Company's common stock for the benefit of directors and employees. Under the Amended and Restated 2007 LTIP, shares of the Company's common stock may be issued through the award or grant of non-statutory stock options, incentive stock options, stock appreciation rights, restricted stock, bonus stock, performance stock, cash-based awards and other stock-based awards. The Company may issue new shares, purchase shares on the open market, or issue shares from shares of the Company's common stock the Company has repurchased to meet the share requirements of the Amended and Restated 2007 LTIP. Beginning in 2015, shares of the Company's common stock issued for employee benefit and stock incentive plans have been issued from the shares repurchased and held in treasury stock. As discussed in Note A, the Company accounts for its stock-based long-term incentive plan under the FASB guidance for stock-based compensation.

Restricted Stock with Service Condition and Other Stock-Based Awards. The Company has awarded restricted stock and other stock-based awards under its long-term incentive plan. Restrictions from resale on restricted stock awards generally lapse and awards vest over periods of one to three years. The market value of the unvested restricted stock at the date of grant is amortized to expense over the restriction period net of anticipated forfeitures.

Other stock-based awards are fully vested and are expensed at fair value on the date of grant. Previously directors could elect to receive retainers and meeting fees in cash, restricted stock, or a combination of cash and stock. On May 29, 2014, the Board of Directors voted to revise the terms of the restricted stock awards granted to directors in lieu of cash for retainers and meeting fees. Stock elections by directors in lieu of cash for retainer and meeting fees are now fully vested and are expensed at fair value on the date of grant. The modification to 13,863 outstanding restricted stock awards granted to directors resulted in forfeiture of those awards and the granting of new awards which were fully vested and expensed at $37.81 per share, the fair value on the date of grant. Effective fiscal year ended December 31, 2015, other stock-based awards are not included in the tables below.

The expense, deferred tax benefit, and current tax expense recognized related to restricted stock and other stock-based awards in 2016 and 2015 is presented below (in thousands):

	2016	2015
Expense (a)	$ 2,594	$ 2,755
Deferred tax benefit	908	964
Current tax benefit recognized	183	43

(a) Any capitalized costs related to these expenses is less than $0.3 million for all years.

The aggregate intrinsic value and fair value at grant date of restricted stock and other stock-based awards which vested in 2016 and 2015 is presented below (in thousands):

	2016	2015
Aggregated intrinsic value	$ 2,515	$ 3,451
Fair value at grant date	1,993	3,327

The unvested restricted stock transactions for 2016 are presented below:

	Total Shares	Weighted Average Grant Date Fair Value	Unrecognized Compensation Expense (a)	Aggregate Intrinsic Value
			(In thousands)	(In thousands)
Restricted shares outstanding at December 31, 2015	91,210	$ 36.61		
Stock awards	74,181	40.95		
Vested	(55,503)	35.91		
Forfeitures	(495)	36.88		
Restricted shares outstanding at December 31, 2016	109,393	39.90	$ 1,767	$ 5,087

(a) The unrecognized compensation expense is expected to be recognized over the weighted average remaining contractual term of the outstanding restricted stock of approximately one year.

The weighted average fair value per share at grant date for restricted stock and other stock-base awards granted during 2016 and 2015 were:

	2016	2015
Weighted average fair value per share	$ 40.95	$ 37.17

The holder of a restricted stock award has rights as a shareholder of the Company, including the right to vote and receive cash dividends on restricted stock.

Restricted Stock with a Market Condition (Performance Shares). The Company has granted performance share awards to certain officers under the Company's Amended and Restated 2007 LTIP, which provides for issuance of Company stock based on the achievement of certain performance criteria over a three-year period. The payout varies between 0% to 200% of performance share awards.

Detail of performance shares vested follows:

Date Vested	Payout Ratio	Performance Shares Awarded	Compensation Costs Expensed	Period Compensation Costs Expensed	Aggregated Intrinsic Value
			(In thousands)		(In thousands)
January 25, 2017	32%	11,314	$ 932	2014-2016	$ 512
January 27, 2016	0%	0	851	2013-2015	—
February 20, 2015	0%	0	1,502	2012-2014	—

In 2017, 2018 and 2019, subject to meeting certain performance criteria, additional performance shares could be awarded. In accordance with the FASB guidance related to stock-based compensation, the Company recognizes the related compensation expense by ratably amortizing the grant date fair value of awards over the requisite service period and the compensation expense is only adjusted for forfeitures. The maximum number of shares that can be issued under the plan are 206,898 shares.

The fair value at the date of each separate grant of performance shares was based upon a Monte Carlo simulation. The Monte Carlo simulation reflected the structure of the performance plan which calculates the share payout on performance of the Company relative to a defined peer group over a three-year performance period based upon total return to shareholders. The fair value was determined as the average payout of one million simulation paths discounted to the grant date using a risk-free interest rate based upon the constant maturity treasury rate yield curve at the grant date. The expected volatility of total return to shareholders is calculated in accordance with the plan's term structure and includes the volatilities of all members of the defined peer group.

The outstanding performance share awards at the 100% performance level is summarized below:

	Number Outstanding	Weighted Average Grant Date Fair Value	Unrecognized Compensation Expense (a)	Aggregate Intrinsic Value
			(In thousands)	(In thousands)
Performance shares outstanding at December 31, 2015 (a)	130,136	$ 32.72		
Performance share awards	60,835	38.11		
Performance shares expired	(24,527)	34.69		
Performance shares outstanding at December 31, 2016 (a)	166,444	34.40	$ 2,189	$ 7,740

(a) On December 15, 2015, the Company issued a stock based retention grant to the Chief Executive Officer (CEO) of 27,624 shares in accordance with the Amended and Restated 2007 LTIP that is eligible for vesting based on the achievement of certain performance conditions and a five year service period, as stated in the CEO's employment agreement. The performance condition was met as of November 2016 as determined by the Compensation Committee, and has been included in the beginning and ending balance in the table above.

(b) The unrecognized compensation expense is expected to be recognized over the weighted average remaining contractual term of the awards of approximately one year, except for the CEO retention grant.

A summary of information related to performance shares for 2016 and 2015 is presented below:

	2016	2015
Weighted average per share grant date fair value per share of performance shares awarded	$ 38.11	$ 35.72
Compensation expense (in thousands) (a) (b)	1,655	1,042
Deferred tax benefit related to compensation expense (in thousands) (b)	579	365

(a) Includes adjustments for estimated forfeitures.
(b) Includes CEO retention grant.

Repurchase Program

No shares of the Company's common stock were repurchased during the twelve months ended December 31, 2016. Detail regarding the Company's stock repurchase program are presented below:

	Since 1999 (a)	Authorized Shares
Shares repurchased (b)	25,406,184	
Cost, including commission (in thousands)	$ 423,647	
Total remaining shares available for repurchase at December 31, 2016		393,816

(a) Represents repurchased shares and cost since inception of the stock repurchase program in 1999.
(b) Shares repurchased does not include 86,735 treasury shares related to employee compensation arrangements outside of the Company's repurchase programs. Beginning in 2015, shares of the Company's common stock issued for employee benefit and stock incentive plans have been issued from the shares repurchased and held in treasury stock. The Company awarded 188,005 shares out of treasury stock during 2016.

The Company may in the future make purchases of shares of its common stock pursuant to its authorized program in open market transactions at prevailing prices and may engage in private transactions where appropriate. The repurchased shares will be available for issuance under employee benefit and stock incentive plans, or may be retired.

Dividend Policy

On December 30, 2016, the Company paid $12.6 million in quarterly cash dividends to shareholders. The Company paid a total of $49.6 million and $47.1 million in cash dividends during the twelve months ended December 31, 2016 and 2015, respectively. On January 26, 2017, the Board of Directors declared a quarterly cash dividend of $0.31 per share payable on March 31, 2017 to shareholders of record as of the close of business on March 17, 2017.

H. Long-Term Debt, Financing Obligations and Capital Lease Obligations

Outstanding long-term debt, financing obligations and capital lease obligations are as follows:

	December 31, 2016	December 31, 2015
	(In thousands)	
Bonds (Account 221):		
Pollution Control Bonds (1):		
7.25% 2009 Series A refunding bonds, due 2040 (7.46% effective interest rate)	$ 63,500	$ 63,500
4.50% 2012 Series A refunding bonds, due 2042 (4.63% effective interest rate)	59,235	59,235
7.25% 2009 Series B refunding bonds, due 2040 (7.49% effective interest rate)	37,100	37,100
1.875% 2012 Series A refunding bonds, due 2032 (2.35% effective interest rate)	33,300	33,300
Total Account 221	193,135	193,135
Other Long –Term Debt (Accounts 224, 225 and 226):		
Senior Notes (2):		
6.00% Senior Notes, net of discount, due 2035 (7.12% effective interest rate)	400,000	400,000
7.50% Senior Notes, net of discount, due 2038 (7.67% effective interest rate)	150,000	150,000
3.30% Senior Notes, net of discount, due 2022 (3.43% effective interest rate)	150,000	150,000
5.00% Senior Notes, net of discount, due 2044 (4.93% effective interest rate)	300,000	150,000
Total Account 224	1,000,000	850,000
Unamortized premium on long-term debt Account 225	6,935	—
Unamortized discount on long-term debt Account 226	(3,740)	(3,851)
Total long-term debt	$ 1,196,330	$ 1,039,284
Obligations Under Capital Lease – Noncurrent (Account 227):		
RGRT Senior Notes (3):		
4.47% Senior Notes, Series B, due 2017 (4.62% effective interest rate)	$ —	$ 50,000
5.04% Senior Notes, Series C, due 2020 (5.16% effective interest rate)	45,000	45,000
Total Capital Lease Obligations Noncurrent	$ 45,000	$ 95,000
Obligations Under Capital Lease – Current (Account 243):		
RGRT Senior Notes (3):		
4.47% Senior Notes, Series B, due 2017 (4.62% effective interest rate)	$ 50,000	$ —
Revolving Credit Facility (4)	39,275	35,439
Total Capital Lease Obligations Current	$ 89,275	$ 35,439

1. Pollution Control Bonds ("PCBs")

The Company has four series of tax exempt unsecured PCBs in aggregate principal amount of $193.1 million. The 1.875% 2012 Series A (El Paso Electric Company Four Corners Project) Pollution Control Refunding Revenue Bonds with an aggregate principal amount of $33.3 million are subject to mandatory tender for purchase in September 2017 at which time the Company will either repay or remarket these bonds.

2. Senior Notes

The Senior Notes are unsecured obligations of the Company. They were issued pursuant to bond covenants that provide limitations on the Company’s ability to enter into certain transactions. The 6.00% Senior Notes have an aggregate principal amount of $400.0 million and were issued in May 2005. The proceeds, net of a $2.3 million discount, were used to fund the retirement of the Company's first mortgage bonds. The Company amortizes the loss associated with a cash flow hedge recorded in accumulated other comprehensive income to earnings as interest expense over the life of the 6.00% Senior Notes. See Note N. This amortization is included in the effective interest rate of the 6.00% Senior Notes.

The 7.50% Senior Notes have an aggregate principal amount of $150.0 million and were issued in June 2008. The proceeds, net of a $1.3 million discount, were used to repay short-term borrowings of $44.0 million, fund capital expenditures and for other general corporate purposes.

The 3.30% Senior Notes have an aggregate principal amount of $150.0 million and were issued in December 2012. The proceeds, net of a $0.3 million discount, were used to fund construction expenditures and for working capital and general corporate purposes.

In December 2014, the Company issued 5.00% Senior Notes with an aggregate principal amount of $150.0 million. The proceeds, net of a $0.5 million discount, were used to fund construction expenditures and for working capital and general corporate purposes. In March 2016, the Company issued additional 5.00% Senior Notes with an aggregate principal amount of $150.0 million. The proceeds from this issuance, after deducting the underwriters' commission, were $158.1 million. These proceeds included accrued interest of $2.4 million and a $7.1 million premium before expenses. The net proceeds, from the sale of these senior notes were used to repay outstanding short-term borrowings under the RCF. After the March 2016 issuance, the Company's 5.00% Senior Notes due 2044 had a total principal amount outstanding of $300.0 million.

3. RGRT Senior Notes

In 2010, the Company and RGRT, a Texas grantor trust through which the Company finances its portion of fuel for Palo Verde, entered into a note purchase agreement with various institutional purchasers. Under the terms of the agreement, RGRT sold to the purchasers $110 million aggregate principal amount of Senior Notes (the "Notes"). In August 2015, $15.0 million of these Notes matured and were paid with borrowings from the RCF. In August 2017, $50.0 million of these Senior Notes will mature. The Company will either repay or refinance this $50.0 million of Notes upon maturity. The Company guarantees the payment of principal and interest on the Notes. In the Company’s regulatory-basis financial statements, the obligations to the RGRT are reported as obligations under capital leases of nuclear fuel.

RGRT pays interest on the Notes on February 15, and August 15 of each year until maturity. RGRT may redeem the Notes, in whole or in part, at any time at a redemption price equal to 100% of the principal amount to be redeemed together with the interest on such principal amount accrued to the date of redemption, plus a make-whole amount based on the prevailing market interest rates. The agreement requires compliance with certain covenants, including a total debt to capitalization ratio. The Company was in compliance with these requirements throughout 2016.

The sale of the Notes was made by RGRT in reliance on a private placement exemption from registration under the Securities Act of 1933, as amended. The proceeds of $109.4 million, net of issuance costs, from the sale of the Notes was used by RGRT to repay amounts borrowed under the RCF and will enable future nuclear fuel financing requirements of RGRT to be met with a combination of the Notes and amounts borrowed from the RCF.

4. Revolving Credit Facility

On January 14, 2014, the Company and RGRT entered into a second amended and restated credit agreement related to the RCF with JP Morgan Chase Bank, N.A., as administrative agent and issuing bank, and Union Bank, N.A., as syndication agent, and various lending banks party thereto. As of December 31, 2016, the Company had available $300 million and the ability to increase the RCF by up to $100 million with a term ending January 2019. On January 9, 2017, the Company exercised its option to extend the maturity of the RCF by one year to January 14, 2020 and to increase the size of the facility by $50 million to $350 million. The Company still has the option to extend the facility by one additional year to January 2021 and to increase the RCF by up to $50 million (up to a total of $400 million) upon the satisfaction of certain conditions, more fully set forth in the agreement, including obtaining commitments from lenders or third party financial institutions.

The RCF provides that amounts borrowed by the Company may be used for, among other things, working capital and general corporate purposes. Any amounts borrowed by RGRT may be used, among other things, to finance the acquisition and processing of nuclear fuel. Amounts borrowed by RGRT are guaranteed by the Company and the balance borrowed under the RCF is recorded as a capital lease of nuclear fuel on the regulatory-basis balance sheet. Quarterly lease payments are made based upon units of heat production used by the plant. The RCF is unsecured. The RCF requires compliance with certain covenants, including a total debt to capitalization ratio. The Company was in compliance with these requirements throughout 2016. In August 2015, $15.0 million aggregate principal amount of Series A 3.67% Senior Notes of RGRT matured and were paid utilizing borrowings under the RCF. As of December 31, 2016, the total amount borrowed by RGRT was $39.3 million for nuclear fuel under the RCF. As of December 31, 2016, $44.0 million of borrowings were outstanding under this facility for working capital and general corporate purposes. The weighted average interest rate on the RCF was 2.0% as of December 31, 2016.

As of December 31, 2016, the principal amount of scheduled maturities for the next five years of long-term debt are as follows (in thousands):

2017	$ 83,300
2018	—
2019	—
2020	45,000
2021	—

The $39.3 million of borrowings outstanding on the RCF for nuclear fuel financing purposes is anticipated to be paid in 2017.

I. Income Taxes

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities at December 31, 2016 and 2015 are presented below (in thousands):

	December 31, 2016	December 31, 2015
Deferred tax assets:		
Plant, principally due to capitalized costs	$ 58,613	$ 76,294
Benefits of federal tax loss carryforwards	61,293	35,494
Pensions and benefits	57,698	57,946
Alternative minimum tax credit carryforward	16,620	16,620
Regulatory liabilities related to income taxes	6,120	6,347
Asset retirement obligation	30,462	29,001
Deferred fuel	(247)	1,380
Debt related items	6,649	6,741
Other	14,231	13,813
Total gross deferred tax assets	251,439	243,636
Deferred tax liabilities:		
Plant, principally due to depreciation and basis differences	(664,228)	(580,764)
Regulatory assets related to income taxes	(81,066)	(115,810)
Decommissioning	(36,934)	(32,569)
Other	(12,310)	(7,831)
Total gross deferred tax liabilities	(794,540)	(736,974)
Net accumulated deferred income taxes	$ (543,101)	$ (493,338)

Based on the average annual book income before taxes for the prior three years, excluding the effects of extraordinary and unusual or infrequent items, the Company believes that the deferred tax assets will be fully realized at current levels of book and taxable income.

The Company recognized income tax expense for 2016 and 2015 as follows (in thousands):

	Years Ended December 31,	
	2016	**2015**
Income tax expense:		
Federal:		
Current	$ 2,235	$ 2,570
Deferred	47,412	32,106
Investment tax credit	(1,553)	(1,158)
Total federal income tax	$ 48,094	$ 33,518
State:		
Current	$ 1,225	$ 936
Deferred	3,634	(1,650)
Total state income tax	$ 4,859	$ (714)

As of December 31, 2016, the Company had $16.6 million of alternative minimum tax ("AMT") credit carryforwards that have an unlimited life. As of December 31, 2016, the Company had $59.9 million of federal and $2.2 million of state tax loss carryforwards. If unused, both the federal and state tax loss carryforwards have lives of 20 years and 5 years, respectively. As of December 31, 2016, the Company had $0.2 million of unrecognized tax benefits related to stock compensation which cannot be recognized until federal tax loss carryforwards are fully utilized.

Federal income tax provisions differ from amounts computed by applying the statutory federal income tax rate of 35% to book income before federal income tax as follows (in thousands):

	Years Ended December 31,	
	2016	**2015**
Federal income tax expense computed on income at statutory rate	$ 52,818	$ 40,914
Difference due to:		
State income taxes (federal effect)	(1,701)	250
Investment Tax Credit amortization (net of deferred taxes)	(1,009)	(753)
Allowance for equity funds used during construction	(314)	(2,272)
Amortization of excess deferred taxes	849	(717)
Amortization of regulatory assets and liabilities	(544)	(405)
Permanent tax differences	(2,292)	(2,825)
Other	287	(674)
Total federal income tax expense	$ 48,094	$ 33,518

The Company files income tax returns in the United States federal jurisdiction and in the states of Texas, New Mexico and Arizona. The Company is no longer subject to tax examination by the taxing authorities in the federal and New Mexico jurisdictions for years prior to 2012. The Company is currently under audit in Texas for tax years 2007 through 2011. In June 2016, the Arizona Department of Revenue discontinued their audits for tax years 2009 through 2012. The discontinuance of the audits did not have a material impact on the Company's results of operations or financial position.

In the third quarter of 2016, the Company changed its accounting for state income taxes from the flow-through method to the normalization method in accordance with the final orders from the PUCT and the NMPRC in its 2015 rate cases, effective January 1, 2016. Under the flow-through method, the Company previously recorded deferred state income taxes and regulatory liabilities and assets offsetting such deferred state income taxes at the expected cash flow to be reflected in future rates. Upon implementation of normalization, the Company began amortizing the net regulatory asset for deferred state income taxes to deferred income tax expense over a 15 year period as allowed by the regulators. In the third quarter of 2016, the Company began recording deferred state income tax expense as required by normalization, retroactive to January 2016 as provided in the final orders. The impact of the change was additional income tax expense of $5.1 million for the year ended December 31, 2016.

The FASB guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. There were no changes to the unrecognized tax positions for the years ended December 31, 2016 and 2015.

The Company recognizes in interest and penalties expense accounts, interest and penalties related to tax benefits that are uncertain. During the years ended December 31, 2016 and 2015, the Company recognized an expense of approximately $0.1 million and $0.2 million, respectively. The Company had approximately $0.8 million and $0.7 million for the payment of interest and penalties accrued at December 31, 2016 and 2015, respectively.

J. Commitments, Contingencies and Uncertainties

Power Purchase and Sale Contracts

To supplement its own generation and operating reserve requirements and to meet required renewable portfolio standards, the Company engages in power purchase arrangements that may vary in duration and amount based on an evaluation of the Company's resource needs, the economics of the transactions and specific renewable portfolio requirements. The Company has entered into the following significant agreements with various counterparties for the purchase and sale of electricity:

Type of Contract	Counterparty	Quantity	Term	Commercial Operation Date
Power Purchase and Sale Agreement	Freeport	25 MW	December 2008 through December 2018	N/A
Power Purchase and Sale Agreement	Freeport	100 MW	June 2006 through December 2021	N/A
Power Purchase Agreement	Hatch Solar Energy Center I, LLC	5 MW	July 2011 through June 2036	July 2011
Power Purchase Agreement	NRG	20 MW	August 2011 through August 2031	August 2011
Power Purchase Agreement	SunE EPE1, LLC	10 MW	June 2012 through June 2037	June 2012
Power Purchase Agreement	SunE EPE2, LLC	12 MW	May 2012 through May 2037	May 2012
Power Purchase Agreement	Macho Springs Solar, LLC	50 MW	May 2014 through April 2034	May 2014
Power Purchase Agreement	Newman Solar LLC	10 MW	December 2014 through November 2044	December 2014

The Company has a firm Power Purchase and Sale Agreement with Freeport-McMoran Copper & Gold Energy Services LLC ("Freeport") that provides for Freeport to deliver energy to the Company from the Luna Energy Facility (a natural gas-fired combined cycle generation facility located in Luna County, New Mexico) and for the Company to deliver a like amount of energy at Greenlee, Arizona. The Company may purchase the quantities noted in the table above at a specified price at times when energy is not exchanged under the Power Purchase and Sale Agreement. The agreement was approved by the FERC and will continue through an initial term ending December 31, 2021, with subsequent rollovers until terminated. Upon mutual agreement, the Power Purchase and Sale Agreement allows the parties to increase the amount of energy that is purchased and sold under the agreement. The parties have agreed to increase the amount up to 125 MW through December 2018.

The Company has entered into several power purchase agreements to help meet its renewable portfolio requirements. Namely, the Company has a 25-year purchase power agreement with Hatch Solar Energy Center I, LLC to purchase all of the output from a solar photovoltaic plant located in southern New Mexico which began commercial operation in July 2011. In June 2015, the Company entered into a consent agreement with Hatch Solar Energy Center 1, LLC to provide for additional or replacement photovoltaic modules. The Company also entered into a 20-year contract with NRG Solar Roadrunner LLC ("NRG") to purchase all of the output of a solar photovoltaic plant built in southern New Mexico which began commercial operation in August 2011. In addition, the Company has 25-year purchase power agreements to purchase all of the output of two additional solar photovoltaic plants located in southern New Mexico, SunE EPE1, LLC and SunE EPE2, LLC which began commercial operation in June 2012 and May 2012, respectively.

Furthermore, the Company has a 20-year purchase power agreement with Macho Springs Solar, LLC to purchase the entire generation output delivered from the 50 MW Macho Springs solar photovoltaic plant located in Luna County, New Mexico which began commercial operation in May 2014. Finally, the Company has a 30-year purchase power agreement with Newman Solar LLC to purchase the total output of approximately 10 MW from a solar photovoltaic plant on land subleased from the Company in proximity to its Newman Power Station ("Newman"). This solar photovoltaic plant began commercial operation in December 2014.

Environmental Matters

General. The Company is subject to extensive laws, regulations and permit requirements with respect to air and greenhouse gas ("GHG") emissions, water discharges, soil and water quality, waste management and disposal, natural resources and other environmental matters by federal, state, regional, tribal and local authorities. Failure to comply with such laws, regulations and requirements can result in actions by authorities or other third parties that might seek to impose on the Company administrative, civil and/or criminal penalties or other sanctions. In addition, releases of pollutants or contaminants into the environment can result in costly cleanup liabilities. These laws, regulations and requirements are subject to change through modification or reinterpretation, or the introduction of new laws and regulations and, as a result, the Company may face additional capital and operating costs to comply.

Environmental Litigation and Investigations. Since July 2011, the U.S. Department of Justice (the "DOJ"), on behalf of the EPA, and APS have been engaged in substantive settlement negotiations in an effort to resolve certain of the pending matters. The allegations being addressed through settlement negotiations are that APS failed to obtain the necessary permits and install the controls necessary under the CAA to reduce sulfur dioxide ("SO2"), nitrogen oxides ("NOx"), and particulate matter ("PM"), and that defendants failed to obtain an operating permit under Title V of the CAA that reflects applicable requirements imposed by law. On June 24, 2015, the parties filed with the U.S. District Court for New Mexico a settlement agreement ("CAA Settlement Agreement") resolving this matter. On August 17, 2015, the U.S. District Court for New Mexico entered the CAA Settlement Agreement. The agreement imposes a total civil penalty payable by the co-owners of Four Corners collectively in the amount of $1.5 million, and it requires the co-owners to pay $6.7 million for environmental mitigation projects. At December 31, 2016, the Company has accrued its remaining unpaid share of approximately $0.2 million related to this matter.

New Mexico Tax Matter Related to Coal Supplied to Four Corners

On May 23, 2013, the New Mexico Taxation and Revenue Department ("NMTRD") issued a notice of assessment for coal severance, surtax, penalty, and interest totaling approximately $30.0 million related to coal supplied under the coal supply agreement for Four Corners (the "Assessment"). The Company's share of the Assessment is approximately $1.5 million. On behalf of the Four Corners participants, the coal supplier made a partial payment of the Assessment and immediately filed a refund claim with respect to that partial payment in August 2013. The NMTRD denied the refund claim. On December 19, 2013, the coal supplier and APS, on its own behalf and as operating agent for Four Corners, filed complaints with the New Mexico District Court contesting both the validity of the Assessment and the refund claim denial. On June 30, 2015, the court ruled that the Assessment was not valid and further ruled that APS and the other Four Corners co-owners receive a refund of all of the contested amounts previously paid under the applicable tax statute. The NMTRD filed a Notice of Appeal on August 31, 2015 with respect to the decision. Thereafter, APS and the coal supplier entered into a final settlement agreement with the NMTRD with respect to the Assessment. Pursuant to the final settlement agreement, the NMTRD agreed to release the Assessment, dismiss its filed appeal, and release its rights to any other surtax claims with respect to the coal supply agreement. APS and the other Four Corners participants agreed to forgo refund rights with respect to all the contested amounts previously paid under the applicable tax statute, in addition to a $1.0 million settlement payment. The Company paid its share of this settlement, approximately $47,000, in April 2016.

Lease Agreements

The Company leases land in El Paso, Texas, adjacent to Newman under a lease which expires in June 2033 with a renewal option of 25 years. The Company also has several other leases for office, parking facilities and equipment which expire within the next 4 years. The Company has transmission and distribution lines which are operated under various property easement agreements. The majority of these easements include renewal options which the Company routinely exercises. These lease agreements do not impose any restrictions relating to issuance of additional debt, payment of dividends or entering into other lease arrangements.

Nuclear Fuel Capital Lease Obligation. The Company's capital lease obligation for the financing of nuclear fuel is accomplished through RGRT. RGRT had $110 million aggregate principal amount borrowed in the form of senior notes. In August 2015, $15.0 million matured and were paid with borrowings from the RCF. In August 2017, $50.0 million of these senior notes will mature. The Company will either repay or refinance this $50.0 million of notes upon maturity. The Company guarantees the payment of principal and interest on the senior notes. The nuclear fuel financing requirements of RGRT are met with a combination of the senior notes and short-term borrowings under the RCF. The Company expects to pay $39.3 million in 2017 for borrowings under the RCF.

The Company's total annual rental expense related to operating leases was $1.7 million and $1.9 million for 2016 and 2015, respectively. As of December 31, 2016, the Company’s minimum future rental payments for the next five years are as follows (in thousands):

2017	$	808
2018		662
2019		666
2020		664
2021		562

Union Matters

The Company has approximately 1,100 employees, about 38% of whom are covered by a collective bargaining agreement. The International Brotherhood of Electrical Workers Local 960 ("Local 960") represents the Company’s employees working primarily in the power plants, substations, line crews, meter reading and collection, facilities services, and customer service. The Company entered into a new collective bargaining agreement effective September 3, 2016, with Local 960 for a three-year term ending September 3, 2019. The agreement provides for pay increases of 3% on September 3, 2016, September 3, 2017 and on September 3, 2018, respectively.

K. Litigation

The Company is involved in various legal, environmental, tax and regulatory proceedings before various courts, regulatory commissions and governmental agencies regarding matters arising in the ordinary course of business. In many of these matters, the Company has excess casualty liability insurance that covers the various claims, actions and complaints. The Company regularly analyzes current information and, as necessary, makes provisions in its regulatory-basis financial statements for probable liabilities for the eventual disposition of these matters. While the outcome of these matters cannot be predicted with certainty, based upon a review of the matters and applicable insurance coverage, the Company believes that none of these matters will have a material adverse effect on the financial position, results of operations or cash flows of the Company. The Company expenses legal costs, including expenses related to loss contingencies, as they are incurred.

See Note C and Note J for discussion of the effects of government legislation and regulation on the Company as well as certain pending legal proceedings.

L. Employee Benefits

Retirement Plans

The Company's Retirement Income Plan (the "Retirement Plan") is a qualified noncontributory defined benefit plan. Upon retirement or death of a vested plan participant, assets of the Retirement Plan are used to pay benefit obligations under the Retirement Plan. Contributions from the Company are based on various factors such as the minimum funding amounts required by the Internal Revenue Service ("IRS"), state and federal regulatory requirements, amounts collected from customers in the Company's Texas and New Mexico jurisdictions and the annual cost of the Retirement Plan, as actuarially calculated. The assets of the Retirement Plan are primarily invested in common collective trusts which hold equity securities, debt securities and cash equivalents and are managed by a professional investment manager appointed by the Company.

The Company has two non-qualified retirement plans that are non-funded defined benefit plans. The Company's Supplemental Retirement Plan covers certain former employees and directors of the Company. The Excess Benefit Plan, was adopted in 2004 and covers certain active and former employees of the Company. The benefit cost for the non-qualified retirement plans are based on substantially the same actuarial methods and economic assumptions as those used for the Retirement Plan.

During the quarter ended March 31, 2014, the Company implemented certain amendments to the Retirement Plan and Excess Benefit Plan. In the first quarter of 2014, the Company offered a cash balance pension plan as an alternative to its current final average pay pension plan for employees hired prior to January 1, 2014. The cash balance pension plan also included an enhanced employer matching contribution to the employee's respective 401(k) Defined Contribution Plan (discussed below). For employees that elected the new cash balance feature of the plans, the pension benefit earned under the existing final average pay feature of the plans was frozen as of March 31, 2014. Employees hired after January 1, 2014 were automatically enrolled in the cash balance pension plan. The amendments to the plans were effective April 1, 2014. As a result of these actions, the Company remeasured the assets and liabilities of the plans, based on actuarially determined estimates, using the close of the alternative choice election period of February 28, 2014, as the remeasurement date.

Prior to December 31, 2013, employees who completed one year of service with the Company and worked at least a minimum number of hours each year were covered by the final average pay formula of the plan. For participants that continue to be covered by the final average pay formula, retirement benefits are based on the employee's final average pay and years of service. The cash balance pension plan covers employees beginning on their employment commencement date or re-employment commencement date in any plan year in which the employee completes at least a minimum number of hours of service. Retirement benefits under the cash balance pension plan are based on the employee's cash balance account, consisting of pay credits and interest credits.

The Company complies with the FASB guidance on disclosure for pension and other post-retirement plans that requires disclosure of investment policies and strategies, categories of investment and fair value measurements of plan assets, and significant concentrations of risk.

The obligations and funded status of the plans are presented below (in thousands):

	December 31,			
	2016		2015	
	Retirement Income Plan	Non-Qualified Retirement Plans	Retirement Income Plan	Non-Qualified Retirement Plans
Change in projected benefit obligation:				
Benefit obligation at end of prior year	$ 325,706	$ 26,958	$ 341,133	$ 28,397
Service cost	7,705	296	8,530	262
Interest cost	12,161	878	13,477	1,018
Actuarial (gain) loss	7,988	1,267	(19,290)	(810)
Benefits paid	(15,792)	(1,937)	(18,144)	(1,909)
Benefit obligation at end of year	337,768	27,462	325,706	26,958
Change in plan assets:				
Fair value of plan assets at end of prior year	260,035	—	272,939	—
Actual return (loss) on plan assets	18,223	—	(3,760)	—
Employer contribution	7,300	1,937	9,000	1,909
Benefits paid	(15,792)	(1,937)	(18,144)	(1,909)
Fair value of plan assets at end of year	269,766	—	260,035	—
Funded status at end of year	$ (68,002)	$ (27,462)	$ (65,671)	$ (26,958)

Amounts recognized in the Company's regulatory-basis balance sheet consist of the following (in thousands):

	December 31,			
	2016		2015	
	Retirement Income Plan	Non-Qualified Retirement Plans	Retirement Income Plan	Non-Qualified Retirement Plans
Current liabilities	$ —	$ (2,696)	$ —	$ (2,102)
Noncurrent liabilities	(68,002)	(24,766)	(65,671)	(24,856)
Total	$ (68,002)	$ (27,462)	$ (65,671)	$ (26,958)

The accumulated benefit obligation in excess of plan assets is as follows (in thousands):

	December 31,			
	2016		2015	
	Retirement Income Plan	Non-Qualified Retirement Plans	Retirement Income Plan	Non-Qualified Retirement Plans
Projected benefit obligation	$ (337,768)	$ (27,462)	$ (325,706)	$ (26,958)
Accumulated benefit obligation	(314,071)	(25,550)	(302,446)	(25,785)
Fair value of plan assets	269,766	—	260,035	—

Pre-tax amounts recognized in accumulated other comprehensive income consist of the following (in thousands):

	December 31,			
	2016		2015	
	Retirement Income Plan	Non-Qualified Retirement Plans	Retirement Income Plan	Non-Qualified Retirement Plans
Net loss	$ 121,052	$ 10,073	$ 118,963	$ 9,592
Prior service benefit	(23,877)	(185)	(27,344)	(224)
Total	$ 97,175	$ 9,888	$ 91,619	$ 9,368

The following are the weighted-average actuarial assumptions used to determine the benefit obligations:

	December 31,					
	2016			2015		
		Non-Qualified			Non-Qualified	
	Retirement Income Plan	Supplemental Retirement Plan	Excess Benefit Plan	Retirement Income Plan	Supplemental Retirement Plan	Excess Benefit Plan
Discount rate	4.29%	3.76%	4.34%	4.57%	3.99%	4.59%
Rate of compensation increase	4.5%	N/A	4.5%	4.5%	N/A	4.5%

The Company reassesses various actuarial assumptions at least on an annual basis. The discount rate is reviewed at each measurement date. The discount rate used to measure the fiscal year end obligation is based on a segmented spot rate yield curve that matches projected future payments with the appropriate interest rate applicable to the timing of the projected future benefit payments. A 1% increase in the discount rate would decrease the December 31, 2016 retirement plans' projected benefit obligation by 11.5%. A 1% decrease in the discount rate would increase the December 31, 2016 retirement plans' projected benefit obligation by 14.1%.

The components of net periodic benefit cost are presented below (in thousands):

	Years Ended December 31,			
	2016		2015	
	Retirement Income Plan	Non-Qualified Retirement Plans	Retirement Income Plan	Non-Qualified Retirement Plans
Service cost	$ 7,705	$ 296	$ 8,530	$ 262
Interest cost	12,161	878	13,477	1,018
Expected return on plan assets	(18,879)	—	(19,795)	—
Amortization of:				
Net loss	6,554	785	9,710	937
Prior service benefit	(3,467)	(39)	(3,467)	(39)
Net periodic benefit cost	$ 4,074	$ 1,920	$ 8,455	$ 2,178

In 2016, the Company changed the method used to estimate the service and interest components of net periodic benefit cost for pension benefits. This change, compared to the previous method, resulted in a decrease in the service cost and interest cost components in 2016, and is expected to result in a decrease in the service cost and interest cost components in future periods. Historically, the Company estimated service and interest costs utilizing a single weighted-average discount rate derived from the yield curve used to measure the benefit obligation at the beginning of the period. In 2016, the Company elected to utilize a full yield curve approach to estimate these components by applying the specific spot rates along the yield curve used in the determination of the benefit obligation to the relevant projected cash flows. The Company believes the new approach provides a more precise measurement of service and interest costs by aligning the timing of the plan’s liability cash flows to the corresponding spot rates on the yield curve. The Company accounted for this change as a change in accounting estimate and accordingly, accounted for this prospectively. The change in estimate decreased the service and interest components of net periodic benefit cost in 2016 by approximately $2.9 million.

The changes in benefit obligations recognized in other comprehensive income are presented below (in thousands):

	Years Ended December 31,			
	2016		2015	
	Retirement Income Plan	Non-Qualified Retirement Plans	Retirement Income Plan	Non-Qualified Retirement Plans
Net (gain) loss	$ 8,644	$ 1,266	$ 4,266	$ (811)
Prior service benefit	—	—	—	—
Amortization of:				
Net loss	(6,554)	(785)	(9,710)	(937)
Prior service benefit	3,467	39	3,467	39
Total recognized in other comprehensive income	$ 5,557	$ 520	$ (1,977)	$ (1,709)

The total amount recognized in net periodic benefit costs and other comprehensive income are presented below (in thousands):

	Years Ended December 31,			
	2016		2015	
	Retirement Income Plan	Non-Qualified Retirement Plans	Retirement Income Plan	Non-Qualified Retirement Plans
Total recognized in net periodic benefit cost and other comprehensive income	$ 9,631	$ 2,440	$ 6,478	$ 469

The following are amounts in accumulated other comprehensive income that are expected to be recognized as components of net periodic benefit cost during 2017 (in thousands):

	Retirement Income Plan	Non-Qualified Retirement Plans
Net loss	$ 7,530	$ 825
Prior service benefit	(3,470)	(40)

The following are the weighted-average actuarial assumptions used to determine the net periodic benefit cost for the twelve months ended December 31:

	2016			2015		
		Non-Qualified			Non-Qualified	
	Retirement Income Plan	Supplemental Retirement Plan	Excess Benefit Plan	Retirement Income Plan	Supplemental Retirement Plan	Excess Benefit Plan
Discount rate						
Benefit obligation	4.57%	3.99%	4.63%	4.0%	3.4%	4.1%
Service cost	4.83%	N/A	4.87%	4.0%	N/A	4.1%
Interest cost	3.86%	3.04%	3.9%	4.0%	3.4%	4.1%
Expected long-term return on plan assets	7.0%	N/A	N/A	7.5%	N/A	N/A
Rate of compensation increase	4.5%	N/A	4.5%	4.5%	N/A	4.5%

The Company's overall expected long-term rate of return on assets is 7.0% effective January 1, 2016 and January 1, 2017, which is both a pre-tax and after-tax rate as pension funds are generally not subject to income tax. The expected long-term rate of return is based on the weighted average of the expected returns on investments based upon the target asset allocation of the pension fund. The Company's target allocations for the plan's assets are presented below:

	December 31, 2016
Equity securities	50%
Fixed income	40%
Alternative investments	10%
Total	100%

The Retirement Plan invests the majority of its plan assets in common collective trusts which includes a diversified portfolio of domestic and international equity securities and fixed income securities. Alternative investments of the Retirement Plan are comprised of a real estate limited partnership and equity securities of real estate companies. The expected rate of returns for the funds are assessed annually and are based on long-term relationships among major asset classes and the level of incremental returns that can be earned by the successful implementation of different active investment management strategies. Equity and real estate equity returns are based on estimates of long-term inflation rate, real rate of return, 10-year Treasury bond premium over cash, an expected equity risk premium, as well as other economic factors. Fixed income returns are based on maturity, long-term inflation, real rate of return and credit spreads. These assumptions also capture the expected correlation of returns between these asset classes over the long term.

The FASB guidance on disclosure for pension plans requires disclosure of fair value measurements of plan assets. To increase consistency and comparability in fair value measurements, the FASB guidance on fair value measurements established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 – Observable inputs that reflect quoted market prices for identical assets and liabilities in active markets. Prices of securities held in the mutual funds and underlying portfolios of the Retirement Plan are primarily obtained from independent pricing services. These prices are based on observable market data. The Common Collective Trusts are valued using the NAV provided by the administrator of the fund. The NAV price is quoted on a restrictive market although the underlying investments are traded on active markets. During the third quarter of 2016, the Company concluded that the NAV used for determining the fair value of the investments in the Common Collective Trusts have readily determinable fair values. Accordingly, such fund values have been re-categorized from Level 2 to Level 1 hierarchy.
- Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability either directly or indirectly. The fair value of these investments are based on evaluated prices that reflect observable market information, such as actual trade information of similar securities, adjusted for observable differences.
- Level 3 – Unobservable inputs using data that is not corroborated by market data.

The fair value of the Company's Retirement Plan assets at December 31, 2016 and 2015, and the level within the three levels of the fair value hierarchy defined by the FASB guidance on fair value measurements are presented in the table below (in thousands):

Description of Securities	Fair Value as of December 31, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Cash Equivalents	$ 932	$ 932	$ —	$ —
Common Collective Trusts (a)				
Equity funds	144,081	144,081	—	—
Fixed income funds	109,356	109,356	—	—
Real Estate Funds	8,406	8,406	—	
Total Common Collective Trusts	261,843	261,843	—	—
Limited Partnership Interest in Real Estate (b)(c)	6,991	—	—	—
Total Plan Investments	$ 269,766	$ 262,775	$ —	$ —

Description of Securities	Fair Value as of December 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Cash Equivalents	$ 1,266	$ 1,266	$ —	$ —
Common Collective Trusts (a)				
Equity funds	144,279	144,279	—	—
Fixed income funds	103,877	103,877	—	—
Real Estate Funds	2,025	2,025	—	—
Total Common Collective Trusts	250,181	250,181	—	—
Limited Partnership Interest in Real Estate (b)(c)	8,588	—	—	—
Total Plan Investments	$ 260,035	$ 251,447	$ —	$ —

(a) The Common Collective Trusts are invested in equity and fixed income securities, or a combination thereof. The investment objective of each fund is to produce returns in excess of, or commensurate with, its predefined index.

(b) This investment is a commercial real estate partnership that purchases land, develops limited infrastructure, and sells it for commercial development. The Company was restricted from selling its partnership interest during the life of the partnership, which spanned 7 years. Return on investment is realized as land is sold. The fair value of the limited partnership interest in real estate is based on the NAV of the partnership which reflects the appraised value of the land. The partnership term expired on June 30, 2016. Upon expiration, dissolution of the partnership commenced and, as a result, the general partner of the partnership is attempting to sell the remaining inventory as soon as possible at the highest pricing possible.

(c) In the first quarter of 2016, the Company implemented ASU 2015-07, Fair Value Measurement (Topic 820) which eliminates the requirement to categorize investments in the fair value hierarchy if the fair value is measured at NAV per share (or its equivalent) using the practical expedient in the FASB's fair value measurement guidance. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the regulatory-basis balance sheet. ASU 2015-07 is effective for regulatory-basis financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years.

The table below reflects the changes in the fair value of investments in the real estate limited partnership during the period (in thousands):

	Fair Value of Investments in Real Estate
Balances at December 31, 2014	$ 8,748
Unrealized loss in fair value	(160)
Balances at December 31, 2015	8,588
Sale of land	(775)
Unrealized loss in fair value	(822)
Balances at December 31, 2016	$ 6,991

There were no transfers in or out of Level 1 and Level 2 fair value measurements categories due to changes in observable inputs during the twelve month periods ending December 31, 2016 and 2015. There were no purchases, issuances, and settlements related to the assets in the Level 3 fair value measurement category during the twelve month periods ending December 31, 2016 and 2015.

The Company adheres to the traditional capital market pricing theory which maintains that over the long term, the risk of owning equities should be rewarded with a greater return than available from fixed income investments. The Company seeks to minimize the risk of owning equity securities by investing in funds that pursue risk minimization strategies and by diversifying its investments to limit its risks during falling markets. The investment manager has full discretionary authority to direct the investment of plan assets held in trust within the guidelines prescribed by the Company through the plan's investment policy statement including the ability to hold cash equivalents. The investment guidelines of the investment policy statement are in accordance with the Employee Retirement Income Security Act of 1974 ("ERISA") and Department of Labor ("DOL") regulations.

The Company contributes at least the minimum funding amounts required by the IRS for the Retirement Plan, as actuarially calculated. The Company expects to contribute at least $10.0 million to its retirement plans in 2017.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid (in thousands):

	Retirement Income Plan	Non-Qualified Retirement Plans
2017	$ 16,113	$ 2,698
2018	19,080	2,060
2019	18,771	2,025
2020	18,923	1,957
2021	19,755	1,907
2022-2026	107,916	8,949

401(k) Defined Contribution Plans

The Company sponsors 401(k) defined contribution plans covering substantially all employees. Annual matching contributions made to the savings plans for the years 2016 and 2015 were $4.1 million and $3.9 million, respectively. Historically, the Company had provided a 50 percent matching contribution up to 6 percent of the employee's compensation subject to certain other limits and exclusions. Effective April 1, 2014, for employees who enrolled in the cash balance pension plan (discussed above), the Company provided a 100 percent matching contribution up to 6 percent of the employee's compensation subject to certain other limits and exclusions.

Other Post-retirement Benefits

The Company provides certain health care benefits for retired employees and their eligible dependents and life insurance benefits for retired employees only. Substantially all of the Company's employees may become eligible for those benefits if they retire while working for the Company. Contributions from the Company are based on various factors such as the Plan's funded status, the IRS tax deductible limit, state and federal regulatory requirements, amounts collected from customers in the Company's Texas and New Mexico jurisdictions and the annual cost of the Plan, as actuarially calculated. The assets of the plan are primarily invested in institutional funds which hold equity securities, debt securities, and cash equivalents and are managed by a professional investment manager appointed by the Company.

The following table contains a reconciliation of the change in the benefit obligation, the fair value of plan assets, and the funded status of the plan (in thousands):

	December 31, 2016	December 31, 2015
Change in benefit obligation:		
Benefit obligation at end of prior year	$ 92,643	$ 100,700
Service cost	2,769	3,454
Interest cost	3,167	4,035
Actuarial loss (gain)	10,751	(11,423)
Amendment (a) (b)	(32,697)	(824)
Benefits paid	(4,428)	(4,544)
Retiree contributions	1,310	1,245
Benefit obligation at end of year	73,515	92,643
Change in plan assets:		
Fair value of plan assets at end of prior year	38,090	41,358
Actual return (loss) on plan assets	2,443	(469)
Employer contribution	1,700	500
Benefits paid	(4,428)	(4,544)
Retiree contributions	1,310	1,245
Fair value of plan assets at end of year	39,115	38,090
Funded status at end of year	$ (34,400)	$ (54,553)

(a) During October 2016, the Company approved and communicated a plan amendment that resulted in a remeasurement of the Company's Other Post-retirement Benefit Plan. Effective January 1, 2017, retirees and dependents that are less than 65 years of age are offered a choice between a $1,000 and $2,250 deductible plan. Additionally, retirees and dependents that are 65 years of age or greater were covered by a fully insured Medicare advantage plan.

(b) Amendment relates to modification of the Company's Other Post-retirement Benefit Plan which increased mail order co-payments for post age 65. The amendment was approved in 2015 and became effective January 1, 2016.

Amounts recognized in the Company's regulatory-basis balance sheet consist of the following (in thousands):

	December 31, 2016	December 31, 2015
Current liabilities	$ —	$ —
Noncurrent liabilities	(34,400)	(54,553)
Total	$ (34,400)	$ (54,553)

Pre-tax amounts recognized in accumulated other comprehensive income consist of the following (in thousands):

	December 31, 2016	December 31, 2015
Net gain	$ (26,285)	$ (38,802)
Prior service benefit	(41,009)	(12,213)
Total	$ (67,294)	$ (51,015)

The following are the weighted-average actuarial assumptions used to determine the accrued post-retirement benefit obligations:

	December 31,	
	2016	2015
Discount rate at end of year	4.36%	4.59%
Health care cost trend rates:		
Initial		
Pre-65 medical	6.50%	7.00%
Post-65 medical	4.50%	7.00%
Pre-65 drug	7.50%	7.00%
Post-65 drug	10.50%	7.00%
Ultimate	4.50%	4.50%
Year ultimate reached (a)	2026	2026

(a) Pre-65 medical reaches the ultimate trend rate in 2025. Additionally, the Post-65 medical trend is assumed to be 4.50% for all years into the future.

The discount rate is reviewed at each measurement date. The discount rate used to measure the fiscal year end obligation is based on a segmented spot rate yield curve that matches projected future payments with the appropriate interest rate applicable to the timing of the projected future benefit payments. A 1% increase in the discount rate would decrease the December 31, 2016 accumulated post-retirement benefit obligation by 13.1%. A 1% decrease in the discount rate would increase the December 31, 2016 accumulated post-retirement benefit obligation by 16.7%.

Net periodic benefit cost is made up of the components listed below (in thousands):

	Years Ended December 31,	
	2016	2015
Service cost	$ 2,769	$ 3,454
Interest cost	3,167	4,035
Expected return on plan assets	(1,835)	(2,070)
Amortization of:		
Prior service benefit	(3,901)	(3,068)
Net gain	(2,374)	(2,025)
Net periodic benefit cost	$ (2,174)	$ 326

In 2016, the Company changed the method used to estimate the service and interest components of net periodic benefit cost for other post-retirement benefits. This change, compared to the previous method, resulted in a decrease in the service cost and interest cost components in 2016, and is expected to result in a decrease in the service cost and interest cost components in future periods. Historically, the Company estimated service and interest costs utilizing a single weighted-average discount rate derived from the yield curve used to measure the benefit obligation at the beginning of the period. In 2016, the Company elected to utilize a full yield curve approach to estimate these components by applying the specific spot rates along the yield curve used in the determination of the benefit obligation to the relevant projected cash flows. The Company believes the new approach provides a more precise measurement of service and interest costs by aligning the timing of the plan’s liability cash flows to the corresponding spot rates on the yield curve. The Company accounted for this change as a change in accounting estimate and accordingly, accounted for this prospectively. The change in estimate decreased the service and interest components of net periodic benefit cost in 2016 by approximately $0.8 million.

The changes in benefit obligations recognized in other comprehensive income are presented below (in thousands):

	Years Ended December 31, 2016	2015
Net (gain) loss	$ 10,143	$ (8,884)
Prior service benefit	(32,697)	(824)
Amortization of:		
Prior service benefit	3,901	3,068
Net gain	2,374	2,025
Total recognized in other comprehensive income	$ (16,279)	$ (4,615)

The total amount recognized in net periodic benefit cost and other comprehensive income are presented below (in thousands):

	Years Ended December 31, 2016	2015
Total recognized in net periodic benefit cost and other comprehensive income	$ (18,453)	$ (4,289)

The amount in accumulated other comprehensive income that is expected to be recognized as a component of net periodic benefit cost during 2017 is a prior service benefit of $6.2 million and a net gain of $1.6 million.

The following are the weighted-average actuarial assumptions used to determine the net periodic benefit cost for the twelve months ended December 31:

	2016 (a)		2015
	January 1 - September 30	October 1 - December 31	
Benefit obligation	4.59%	3.75%	4.1%
Service cost	4.91%	4.03%	4.1%
Interest cost	3.86%	3.15%	4.1%
Expected long-term return on plan assets	4.875%		5.2%
Health care cost trend rates:			
Initial	7.00%		7.25%
Ultimate	4.5%		4.5%
Year ultimate reached	2026		2026

(a) The actuarial assumptions are evaluated by the Company at each measurement date. The Other Post-retirement Benefits Plan was remeasured at October 1, 2016 due to a plan amendment.

For measurement purposes, a 7.0% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2016. The rate was assumed to decrease gradually to 4.5% for 2026 and remain at that level thereafter. Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plan. The effect of a 1% change in these assumed health care cost trend rates would increase or decrease the December 31, 2016 benefit obligation by $11.2 million or $9.0 million, respectively. In addition, a 1% change in said rate would increase or decrease the aggregate 2016 service and interest cost components of the net periodic benefit cost by $1.3 million or $1.0 million, respectively.

The Company's overall expected long-term rate of return on assets, on an after-tax basis, is 4.875% effective January 1, 2016 and January 1, 2017. The expected long-term rate of return is based on the after-tax weighted average of the expected returns on investments based upon the target asset allocation. The Company's target allocations for the plan's assets are presented below:

	December 31, 2016
Equity securities	65%
Fixed income	30%
Alternative investments	5%
Total	100%

The Other Post-retirement Benefit Plan invests the majority of its plan assets in institutional funds which includes a diversified portfolio of domestic and international equity securities and fixed income securities. The asset portfolio also includes cash equivalents and a real estate limited partnership. The expected rates of return for the funds are assessed annually and are based on long-term relationships among major asset classes and the level of incremental returns that can be earned by the successful implementation of different active investment management strategies. Equity returns are based on estimates of long-term inflation rate, real rate of return, 10-year Treasury bond premium over cash, an expected equity risk premium, as well as other economic factors. Fixed income returns are based on maturity, long-term inflation, real rate of return and credit spreads. These assumptions also capture the expected correlation of returns between these asset classes over the long term.

The FASB guidance on disclosure for other post-retirement benefit plans requires disclosure of fair value measurements of plan assets. To increase consistency and comparability in fair value measurements, the FASB guidance on fair value measurements established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 – Observable inputs that reflect quoted market prices for identical assets and liabilities in active markets. Prices of securities held in the mutual funds and underlying portfolios of the Other Post-retirement Benefits Plan are primarily obtained from independent pricing services. These prices are based on observable market data. The institutional funds are valued using the NAV provided by the administrator of the fund. The NAV price is quoted on a restrictive market although the underlying investments are traded on active markets. During the third quarter of 2016, the Company concluded that the NAV used for determining the fair value of the investments in the institutional funds have readily determinable fair values. Accordingly, such fund values have been re-categorized from Level 2 to Level 1 hierarchy.

- Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability either directly or indirectly. The fair value of these investments are based on evaluated prices that reflect observable market information, such as actual trade information of similar securities, adjusted for observable differences.

- Level 3 – Unobservable inputs using data that is not corroborated by market data.

The fair value of the Company's Other Post-retirement Benefits Plan assets at December 31, 2016 and 2015, and the level within the three levels of the fair value hierarchy defined by the FASB guidance on fair value measurements are presented in the table below (in thousands):

Description of Securities	Fair Value as of December 31, 2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Institutional Funds (a)				
Equity funds	$ 26,133	$ 26,133	$ —	$ —
Fixed income funds	11,671	11,671	—	—
Total Institutional Funds	37,804	37,804	—	—
Limited Partnership Interest in Real Estate (b) (c)	1,311	—	—	—
Total Plan Investments	$ 39,115	$ 37,804	$ —	$ —

Description of Securities	Fair Value as of December 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Institutional Funds (a)				
Equity funds	$ 24,881	$ 24,881	$ —	$ —
Fixed income funds	11,599	11,599	—	—
Total Institutional Funds	36,480	36,480	—	—
Limited Partnership Interest in Real Estate (b) (c)	1,610	—	—	—
Total Plan Investments	$ 38,090	$ 36,480	$ —	$ —

(a) The institutional funds are invested in equity or fixed income securities, or a combination thereof. The investment objective of each fund is to produce returns in excess of, or commensurate with, its predefined index.

(b) This investment is a commercial real estate partnership that purchases land, develops limited infrastructure, and sells it for commercial development. The Company was restricted from selling its partnership interest during the life of the partnership, which spanned 7 years. Return of investment is realized as land is sold. The fair value of the limited partnership interest in real estate is based on the NAV of the partnership which reflects the appraised value of the land. The partnership term expired on June 30, 2016. Upon expiration, dissolution of the partnership commenced and, as a result, the general partner of the partnership is attempting to sell the remaining inventory as soon as possible at the highest pricing possible.

(c) In the first quarter of 2016, the Company implemented ASU 2015-07, Fair Value Measurement (Topic 820) which eliminates the requirement to categorize investments in the fair value hierarchy if the fair value is measured at NAV per share (or its equivalent) using the practical expedient in the FASB’s fair value measurement guidance. The fair value amounts presented in the table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the regulatory-basis balance sheet. ASU 2015-07 is effective for regulatory-basis financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years.

The table below reflects the changes in the fair value of the investments in real estate during the period (in thousands):

	Fair Value of Investments in Real Estate
Balances at December 31, 2014	$ 1,640
Unrealized loss in fair value	(30)
Balances at December 31, 2015	1,610
Sale of land	(145)
Unrealized loss in fair value	(154)
Balances at December 31, 2016	$ 1,311

There were no transfers in or out of Level 1 and Level 2 fair value measurements categories due to changes in observable inputs during the twelve month periods ending December 31, 2016 and 2015. There were no purchases, issuances, and settlements related to the assets in the Level 3 fair value measurement category during the twelve month periods ending December 31, 2016 and 2015.

The Company adheres to the traditional capital market pricing theory which maintains that over the long term, the risk of owning equities should be rewarded with a greater return than available from fixed income investments. The Company seeks to minimize the risk of owning equity securities by investing in funds that pursue risk minimization strategies and by diversifying its investments to limit its risks during falling markets. The investment manager has full discretionary authority to direct the investment of plan assets held in trust within the guidelines prescribed by the Company through the plan’s investment policy statement including the ability to hold cash equivalents. The investment guidelines of the investment policy statement are in accordance with the ERISA and DOL regulations.

The Company expects to contribute $1.5 million to its other post-retirement benefits plan in 2017. The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid (in thousands):

2017	$ 2,622
2018	2,880
2019	3,057
2020	3,320
2021	3,510
2022-2026	20,084

Annual Short-Term Incentive Plan

The Annual Short-Term Incentive Plan (the "Incentive Plan") provides for the payment of cash awards to eligible Company employees, including each of its named executive officers. Payment of awards is based on the achievement of performance measures reviewed and approved by the Company's Board of Directors' Compensation Committee. Generally, these performance measures are based on meeting certain financial, operational and individual performance criteria. The financial performance goals are based on earnings per share and the operational performance goals are based on compliance, customer satisfaction, and reliability. If a specified level of earnings per share is not attained, no amounts will be paid under the Incentive Plan, unless the Compensation Committee determines otherwise. In 2016, the Company reached the required levels of earnings per share, customer satisfaction, reliability, compliance, and safety goals for an incentive payment of $12.5 million. In 2015, the Company reached the required levels of earnings per share, safety, compliance, and customer satisfaction goals for an incentive payment of $10.5 million. The Company has renewed the Incentive Plan in 2017 with similar goals.

M. Franchises and Significant Customers

Franchises

The Company operates under franchise agreements with several cities in its service territory, including one with El Paso, Texas, the largest city it serves. The franchise agreement allows the Company to utilize public rights-of-way necessary to serve its customers within El Paso. Pursuant to the El Paso franchise agreement, which was amended in 2010, the Company pays to the City of El Paso, on a quarterly basis, a fee equal to 4.00% of gross revenues the Company receives for the generation, transmission and distribution of electrical energy and other services within the city. The 2005 El Paso franchise agreement set the franchise fee at 3.25% of gross revenues, but the 2010 amendment added an incremental fee equal to 0.75% of gross revenues to be placed in a restricted fund to be used by the city solely for economic development and renewable energy purposes. Any assignment of the franchise agreement, including a deemed assignment as a result of a change in control of the Company, requires the consent of the City of El Paso. The El Paso franchise agreement is set to expire on July 31, 2030.

The Company does not have a written franchise agreement with the City of Las Cruces, the second largest city in its service territory. The Company provides electric distribution service to the City of Las Cruces under an implied franchise by satisfying all obligations under the franchise agreement that expired on April 30, 2009. The Company pays the City of Las Cruces a franchise fee of 2.00% of gross revenues the Company receives from services within the City of Las Cruces.

Military Installations

The Company serves HAFB, White Sands Missile Range ("White Sands") and Fort Bliss. These military installations represent approximately 2.8% of the Company's annual retail revenues. In July 2014, the Company signed an agreement with Fort Bliss under which Fort Bliss takes retail electric service from the Company under the applicable Texas tariffs. The Company serves White Sands under the applicable New Mexico tariffs. In August 2016, the Company signed a contract with HAFB under which the Company provides retail electric service and limited wheeling services to HAFB under the applicable New Mexico tariffs. As stated in the contract, HAFB will purchase the full output of a Company-owned 5 MW solar facility upon its completed construction, with HAFB's other power requirements provided under the applicable New Mexico tariffs.

N. Financial Instruments and Investments

The FASB guidance requires the Company to disclose estimated fair values for its financial instruments. The Company has determined that cash and temporary investments, investment in debt securities, accounts receivable, decommissioning trust funds, long-term debt, financing and capital lease obligations, short-term borrowings under the RCF, accounts payable and customer deposits meet the definition of financial instruments. The carrying amounts of cash and temporary investments, accounts receivable, accounts payable and customer deposits approximate fair value because of the short maturity of these items. Investments in debt securities and decommissioning trust funds are carried at fair value.

Long-Term Debt, Financing Obligations, Capital Lease Obligations and Short-Term Borrowings Under the RCF. The fair values of the Company's long-term debt, financing obligations, capital lease obligations including the current portion thereof, and short-term borrowings under the RCF are based on estimated market prices for similar issues and are presented below (in thousands):

	December 31,			
	2016		2015	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Pollution Control Bonds	$ 193,135	$ 206,818	$ 193,135	$ 212,624
Senior Notes	1,003,195	1,112,285	846,149	829,864
RGRT Senior Notes (1)	95,000	98,855	95,000	100,345
RCF (1)	83,275	83,275	143,439	143,439
Total	$ 1,374,605	$ 1,501,233	$ 1,277,723	$ 1,286,272

(1) Nuclear fuel capital lease obligations as of December 31, 2016 and December 31, 2015, is funded through the $95 million RGRT Senior Notes and $39.3 million and $35.4 million, respectively under the RCF. As of December 31, 2016, $44.0 million was outstanding under the RCF for working capital or general corporate purposes. As of December 31, 2015, $108.0 million was outstanding under the RCF for working capital or general corporate purposes. The interest rate on the Company's borrowings under the RCF is reset throughout the period reflecting current market rates. Consequently, the carrying value approximates fair value.

Treasury Rate Locks. The Company entered into treasury rate lock agreements in 2005 to hedge against potential movements in the treasury reference interest rate pending the issuance of the 6% Senior Notes. The treasury rate lock agreements met the criteria for hedge accounting and were designated as a cash flow hedge. In accordance with cash flow hedge accounting, the Company recorded the loss associated with the fair value of the cash flow hedge, net of tax, as a component of accumulated other comprehensive loss and amortizes the accumulated comprehensive loss to earnings as interest expense over the life of the 6% Senior Notes. In 2017, approximately $0.5 million of this accumulated other comprehensive loss item will be reclassified to interest expense.

Contracts and Derivative Accounting. The Company uses commodity contracts to manage its exposure to price and availability risks for fuel purchases and power sales and purchases and these contracts generally have the characteristics of derivatives. The Company does not trade or use these instruments with the objective of earning financial gains on the commodity price fluctuations. The Company has determined that all such contracts outstanding at December 31, 2016, except for certain natural gas commodity contracts with optionality features, that had the characteristics of derivatives met the "normal purchases and normal sales" exception provided in the FASB guidance for accounting for derivative instruments and hedging activities, and, as such, were not required to be accounted for as derivatives.

Marketable Securities. The Company's marketable securities, included in decommissioning trust funds in the regulatory-basis balance sheet, are reported at fair value which was $255.7 million and $239.0 million at December 31, 2016 and 2015, respectively. These securities are classified as available for sale and recorded at their estimated fair value using the FASB guidance for certain investments in debt and equity securities. The reported fair values include gross unrealized losses on marketable securities whose impairment the Company has deemed to be temporary. The tables below present the gross unrealized losses and the fair value of these securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position (in thousands):

	December 31, 2016					
	Less than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Description of Securities (1)**:**						
Federal Agency Mortgage Backed Securities	$ 11,582	$ (239)	$ 436	$ (22)	$ 12,018	$ (261)
U.S. Government Bonds	31,655	(762)	17,976	(835)	49,631	(1,597)
Municipal Obligations	9,596	(394)	4,067	(372)	13,663	(766)
Corporate Obligations	7,971	(172)	2,092	(172)	10,063	(344)
Total Debt Securities	60,804	(1,567)	24,571	(1,401)	85,375	(2,968)
Common Stock	2,760	(167)	—	—	2,760	(167)
Institutional Funds-International Equity	22,945	(110)	—	—	22,945	(110)
Total Temporarily Impaired Securities	$ 86,509	$ (1,844)	$ 24,571	$ (1,401)	$ 111,080	$ (3,245)

(1) Includes approximately 152 securities.

	December 31, 2015					
	Less than 12 Months		12 Months or Longer		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Description of Securities (1)**:**						
Federal Agency Mortgage Backed Securities	$ 9,383	$ (97)	$ 1,113	$ (47)	$ 10,496	$ (144)
U.S. Government Bonds	24,094	(310)	14,272	(623)	38,366	(933)
Municipal Obligations	8,286	(160)	7,388	(446)	15,674	(606)
Corporate Obligations	6,058	(722)	2,307	(228)	8,365	(950)
Total Debt Securities	47,821	(1,289)	25,080	(1,344)	72,901	(2,633)
Common Stock	3,584	(344)	—	—	3,584	(344)
Institutional Funds-International Equity	22,454	(768)	—	—	22,454	(768)
Total Temporarily Impaired Securities	$ 73,859	$ (2,401)	$ 25,080	$ (1,344)	$ 98,939	$ (3,745)

(2) Includes approximately 133 securities.

The Company monitors the length of time specific securities trade below its cost basis along with the amount and percentage of the unrealized loss in determining if a decline in fair value of marketable securities below recorded cost is considered to be other than temporary. The Company recognizes impairment losses on certain of its securities deemed to be other than temporary. In accordance with the FASB guidance, these impairment losses are recognized in net income, and a lower cost basis is established for these securities. In addition, the Company will research the future prospects of individual securities as necessary. The Company does not anticipate expending monies held in trust before 2044 or a later period when decommissioning of Palo Verde begins.

For the twelve months ended December 31, 2016 and 2015, the Company recognized other than temporary impairment losses on its available-for-sale securities as follows (in thousands):

	2016	2015
Unrealized holding losses included in pre-tax income	$ (352)	$ (338)

The reported securities also include gross unrealized gains on marketable securities which have not been recognized in the Company's net income. The table below presents the unrecognized gross unrealized gains and the fair value of these securities, aggregated by investment category (in thousands):

	December 31, 2016		December 31, 2015	
	Fair Value	Unrealized Gains	Fair Value	Unrealized Gains
Description of Securities:				
Federal Agency Mortgage Backed Securities	$ 7,430	$ 319	$ 9,589	$ 438
U.S. Government Bonds	12,237	138	12,033	136
Municipal Obligations	2,481	144	8,671	332
Corporate Obligations	12,350	655	10,110	368
Total Debt Securities	34,498	1,256	40,403	1,274
Common Stock	61,884	34,066	72,636	37,001
Equity Mutual Funds	42,244	3,345	18,853	91
Cash and Cash Equivalents	6,002	—	8,204	—
Total	$ 144,628	$ 38,667	$ 140,096	$ 38,366

The Company's marketable securities include investments in mortgage backed securities, municipal, corporate and federal debt obligations. The contractual year for maturity for these available-for-sale securities as of December 31, 2016 is as follows (in thousands):

	Total	2017	2018 through 2021	2022 through 2026	2027 and Beyond
Municipal Debt Obligations	$ 16,144	$ 990	$ 6,253	$ 8,139	$ 762
Corporate Debt Obligations	22,413	—	8,664	6,090	7,659
U.S. Government Bonds	61,868	14,272	22,495	14,786	10,315
Federal Agency Mortgage Backed Securities	19,448	—	5	390	19,053

The Company's marketable securities in its decommissioning trust funds are sold from time to time and the Company uses the specific identification basis to determine the amount to reclassify out of accumulated other comprehensive income and into net income. The proceeds from the sale of these securities during the twelve months ended December 31, 2016 and 2015 and the related effects on pre-tax income are as follows (in thousands):

	2016	2015
Proceeds from sales of available-for-sale securities	$ 91,268	$ 102,567
Gross realized gains included in pre-tax income	$ 9,212	$ 12,379
Gross realized losses included in pre-tax income	(1,220)	(927)
Gross unrealized losses included in pre-tax income	(352)	(338)
Net gains in pre-tax income	$ 7,640	$ 11,114
Net unrealized holding gains (losses) included in accumulated other comprehensive income	$ 8,444	$ (2,906)
Net gains reclassified out of accumulated other comprehensive income	(7,640)	(11,114)
Net gains (losses) in other comprehensive income	$ 804	$ (14,020)

Fair Value Measurements. The FASB guidance requires the Company to provide expanded quantitative disclosures for financial assets and liabilities recorded on the regulatory-basis balance sheet at fair value. Financial assets carried at fair value include the Company's decommissioning trust investments and investments in debt securities which are included in Other Special Funds and Other Investments, respectively, on the regulatory-basis balance sheet. The Company has no liabilities that are measured at fair value on a recurring basis. The FASB guidance establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 - Observable inputs that reflect quoted market prices for identical assets and liabilities in active markets. Financial assets utilizing Level 1 inputs include the nuclear decommissioning trust investments in active exchange-traded equity securities, mutual funds and U.S. Treasury securities that are in a highly liquid and active market. The Institutional Funds are valued using the NAV provided by the administrator of the fund. The NAV price is quoted on a restrictive market although the underlying investments are traded on active markets. During the third quarter of 2016, the Company concluded that the NAV used for determining the fair value of the Institutional Funds- International Equity investments have readily determinable fair values. Accordingly, such fund values have been re-categorized from Level 2 to Level 1 hierarchy.

- Level 2 - Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability either directly or indirectly. Financial assets utilizing Level 2 inputs include the nuclear decommissioning trust investments in fixed income securities. The fair value of these financial instruments is based on evaluated prices that reflect observable market information, such as actual trade information of similar securities, adjusted for observable differences.

- Level 3 - Unobservable inputs using data that is not corroborated by market data and primarily based on internal Company analysis using models and various other analysis. Financial assets utilizing Level 3 inputs are the Company's investment in debt securities.

The securities in the Company's decommissioning trust funds are valued using prices and other relevant information generated by market transactions involving identical or comparable securities. The FASB guidance identifies this valuation technique as the "market approach" with observable inputs. The Company analyzes available-for-sale securities to determine if losses are other than temporary.

The fair value of the Company's decommissioning trust funds and investments in debt securities at December 31, 2016 and 2015, and the level within the three levels of the fair value hierarchy defined by the FASB guidance are presented in the table below (in thousands):

Description of Securities	**Fair Value as of December 31, 2016**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Trading Securities:				
Investments in Debt Securities	$ 1,421	$ —	$ —	$ 1,421
Available for sale:				
U.S. Government Bonds	$ 61,868	$ 61,868	$ —	$ —
Federal Agency Mortgage Backed Securities	19,448	—	19,448	—
Municipal Obligations	16,144	—	16,144	—
Corporate Obligations	22,413	—	22,413	—
Subtotal, Debt Securities	119,873	61,868	58,005	—
Common Stock	64,644	64,644	—	—
Equity Mutual Funds	42,244	42,244	—	—
Institutional Funds-International Equity	22,945	22,945	—	—
Cash and Cash Equivalents	6,002	6,002	—	—
Total available for sale	$ 255,708	$ 197,703	$ 58,005	$ —

Description of Securities	Fair Value as of December 31, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Trading Securities:				
Investments in Debt Securities	$ 1,543	$ —	$ —	$ 1,543
Available for sale:				
U.S. Government Bonds	$ 50,399	$ 50,399	$ —	$ —
Federal Agency Mortgage Backed Securities	20,085	—	20,085	—
Municipal Obligations	24,345	—	24,345	—
Corporate Obligations	18,475	—	18,475	—
Subtotal, Debt Securities	113,304	50,399	62,905	—
Common Stock	76,220	76,220	—	—
Equity Mutual Funds	18,853	18,853	—	—
Institutional Funds-International Equity	22,454	22,454	—	—
Cash and Cash Equivalents	8,204	8,204	—	—
Total available for sale	$ 239,035	$ 176,130	$ 62,905	$ —

Below is a reconciliation of the beginning and ending balance of the fair value of the investment in debt securities (in thousands):

	2016	2015
Balance at January 1	$ 1,543	$ 1,653
Net unrealized gains (losses) in fair value recognized in income (a)	(122)	(110)
Balance at December 31	$ 1,421	$ 1,543

(a) These amounts are reflected in the Company's regulatory-basis statement of income as other income.

There were no transfers in or out of Level 1 and Level 2 fair value measurements categories due to changes in observable inputs during the twelve month periods ending December 31, 2016 and 2015. There were no purchases, sales, issuances, and settlements related to the assets in the Level 3 fair value measurement category during the twelve month periods ending December 31, 2016 and 2015.

O. Supplemental Statements of Cash Flows Disclosures

	Years Ended December 31, 2016	2015
	(In thousands)	
Cash paid for:		
Interest on long-term debt and borrowing under the revolving credit facility	$ 69,990	$ 62,297
Income taxes, net of refund	2,328	1,000
Non-cash investing financing activities:		
Sale of Interest in Four Corners Generating Station (a)	27,720	—
Changes in accrued plant additions	4,789	(6,660)
Grants of restricted shares of common stock	1,236	1,567

(a) The Company sold its interest in Four Corners for approximately $32.0 million based on the book value as defined in the Purchase and Sale Agreement. The sales price was adjusted downward by $7.0 million and $19.5 million to reflect APS's affiliate assumption of the Company's obligation to pay for future plant decommissioning and mine reclamation expense, respectively. The sales price was also adjusted downward by approximately $1.3 million for closing adjustments and other assets and liabilities assumed by APS's affiliate. At the closing of the sale, the Company received approximately $4.2 million in cash, subject to post-closing adjustments.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year	38,956,534			(34,883,501)
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income	(8,936,512)			1,237,110
3	Preceding Quarter/Year to Date Changes in Fair Value	(2,255,081)			3,777,691
4	Total (lines 2 and 3)	(11,191,593)			5,014,801
5	Balance of Account 219 at End of Preceding Quarter/Year	27,764,941			(29,868,700)
6	Balance of Account 219 at Beginning of Current Year	27,764,941			(29,868,700)
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income	(6,206,182)			(1,422,220)
8	Current Quarter/Year to Date Changes in Fair Value	6,903,785			7,363,039
9	Total (lines 7 and 8)	697,603			5,940,819
10	Balance of Account 219 at End of Current Quarter/Year	28,462,544			(23,927,881)

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Insert Footnote at Line 1 to specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1		(12,074,428)	(8,001,395)		
2		264,382	(7,435,020)		
3			1,522,610		
4		264,382	(5,912,410)	84,093,567	78,181,157
5		(11,810,046)	(13,913,805)		
6		(11,810,046)	(13,913,805)		
7		159,368	(7,469,034)		
8			14,266,824		
9		159,368	6,797,790	97,956,132	104,753,922
10		(11,650,678)	(7,116,015)		

Schedule Page: 122(a)(b) Line No.: 1 Column: b

The Company's decommissioning trust funds include marketable securities which are reported at fair value. These securities are classified as available for sale under FASB guidance for certain investments in debt and equity securites and are valued using prices and other relevant information generated by market transactions involving identical or comparable securities.

Schedule Page: 122(a)(b) Line No.: 1 Column: e

In accordance with the FERC Guidance Letter related to FASB guidance for employers' accounting for defined benefit pension and other postretirement plans, this amount includes reclassification adjustments of accumulated other comprehensive income as a result of gains or losses, prior service costs or credits and transition assets or obligations related to pension and other postretirement benefit plans.

Schedule Page: 122(a)(b) Line No.: 1 Column: g

During the first quarter of 2005, the Company entered into treasury rate lock agreements to hedge against potential movements in the treasury reference interest rate pending the issuance of 6% Senior Notes. These treasury rate locks were terminated on May 11, 2005. The treasury rate lock agreements met the criteria for hedge accounting and were designated as a cash flow hedge. In accordance with cash flow hedge accounting, the Company recorded the loss associated with the fair value of the cash flow hedge of approximately $14.5 million, net of tax, as a component of accumulated other comprehensive income. In May 2005, the Company began to recognize in earnings (as additional interest expense) the accumulated other comprehensive income associated with the cash flow hedge. During the next twelve month period, approximately $0.5 million pre-tax of this accumulated other comprehensive income item will be reclassified to interest expense.

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION. AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	3,968,179,943	3,968,179,943
4	Property Under Capital Leases		
5	Plant Purchased or Sold		
6	Completed Construction not Classified	752,179,804	752,179,804
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	4,720,359,747	4,720,359,747
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	154,738,506	154,738,506
12	Acquisition Adjustments		
13	Total Utility Plant (8 thru 12)	4,875,098,253	4,875,098,253
14	Accum Prov for Depr, Amort, & Depl	2,161,720,490	2,161,720,490
15	Net Utility Plant (13 less 14)	2,713,377,763	2,713,377,763
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	2,106,257,017	2,106,257,017
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	55,463,473	55,463,473
22	Total In Service (18 thru 21)	2,161,720,490	2,161,720,490
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	2,161,720,490	2,161,720,490

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION. AMORTIZATION AND DEPLETION

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
					5
					6
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					32
					33

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.

Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year Additions (c)
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)		
2	Fabrication		
3	Nuclear Materials		
4	Allowance for Funds Used during Construction		
5	(Other Overhead Construction Costs, provide details in footnote)		
6	SUBTOTAL (Total 2 thru 5)		
7	Nuclear Fuel Materials and Assemblies		
8	In Stock (120.2)		
9	In Reactor (120.3)		
10	SUBTOTAL (Total 8 & 9)		
11	Spent Nuclear Fuel (120.4)		
12	Nuclear Fuel Under Capital Leases (120.6)	191,560,563	44,767,262
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)	75,495,520	-1,544,892
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)	116,065,043	
15	Estimated net Salvage Value of Nuclear Materials in line 9		
16	Estimated net Salvage Value of Nuclear Materials in line 11		
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing		
18	Nuclear Materials held for Sale (157)		
19	Uranium		
20	Plutonium		
21	Other (provide details in footnote):		
22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)		

NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

Changes during Year		Balance	Line
Amortization (d)	Other Reductions (Explain in a footnote) (e)	End of Year (f)	No.
			1
			2
			3
			4
			5
			6
			7
			8
			9
			10
			11
	40,154,815	196,173,010	12
-42,547,226	40,154,815	76,343,039	13
		119,829,971	14
			15
			16
			17
			18
			19
			20
			21
			22

Schedule Page: 202 Line No.: 12 Column: e

Retirement of fully amortized nuclear fuel in connection with the 2016 reloads in Units 1 and 3.

Schedule Page: 202 Line No.: 13 Column: c

Dry cask storage costs allocated to Units 1, 2 and 3.

Schedule Page: 202 Line No.: 13 Column: e

Retirement of fully amortized nuclear fuel in connection with the 2016 reloads in Units 1 and 3.

Schedule Page: 202 Line No.: 14 Column: f

All of the Company's nuclear fuel financing is accomplished through a trust that has amounts borrowed through senior notes and borrowings under a revolving credit facility. The assets and liabilities of the trust are reported on the Company's regulatory basis balance sheets.

The total amount borrowed for nuclear fuel by the trust at December 31, 2016 was $134.3 million of which $39.3 million had been borrowed under the revolving credit facility, and $95 million was borrowed through the senior notes. The Company expects to repay the $50 million of senior notes that will mature in August 2017 with borrowings under the Company's revolving credit facility or refinance them. During 2016, the Company capitalized approximately $5.2 million of costs, including interest on trust borrowings, issuance costs and accrued interest on the senior notes, trustee fees and miscellaneous legal expenses, in connection with the financing of nuclear fuel through the trust. Information on quantities of nuclear fuel materials is not available.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents		
4	(303) Miscellaneous Intangible Plant	127,729,512	5,574,003
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	127,729,512	5,574,003
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	291,469	
9	(311) Structures and Improvements	57,724,009	595,791
10	(312) Boiler Plant Equipment	224,262,844	5,253,178
11	(313) Engines and Engine-Driven Generators	60,445,918	12,458,913
12	(314) Turbogenerator Units	139,159,467	4,153,084
13	(315) Accessory Electric Equipment	37,775,969	91,437
14	(316) Misc. Power Plant Equipment	60,885,023	851,207
15	(317) Asset Retirement Costs for Steam Production	2,824,209	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	583,368,908	23,403,610
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights	2,347,713	
19	(321) Structures and Improvements	509,060,879	18,316,590
20	(322) Reactor Plant Equipment	769,655,907	4,106,467
21	(323) Turbogenerator Units	244,053,667	2,505,019
22	(324) Accessory Electric Equipment	174,421,986	2,132,192
23	(325) Misc. Power Plant Equipment	109,868,475	6,551,207
24	(326) Asset Retirement Costs for Nuclear Production	-42,229,190	
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)	1,767,179,437	33,611,475
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights		
28	(331) Structures and Improvements		
29	(332) Reservoirs, Dams, and Waterways		
30	(333) Water Wheels, Turbines, and Generators		
31	(334) Accessory Electric Equipment		
32	(335) Misc. Power PLant Equipment		
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)		
36	D. Other Production Plant		
37	(340) Land and Land Rights	2,346,342	-23,218
38	(341) Structures and Improvements	71,054,909	28,982,711
39	(342) Fuel Holders, Products, and Accessories	9,502,498	9,877,319
40	(343) Prime Movers	192,985,285	115,577,709
41	(344) Generators	24,841,151	9,273,113
42	(345) Accessory Electric Equipment	18,342,622	6,794,266
43	(346) Misc. Power Plant Equipment	6,188,127	793,505
44	(347) Asset Retirement Costs for Other Production	204,814	
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	325,465,748	171,275,405
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	2,676,014,093	228,290,490

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
					2
					3
73,794		949,216	134,178,937		4
73,794		949,216	134,178,937		5
					6
					7
8,623			282,846		8
4,839,735			53,480,065		9
73,498,390			156,017,632		10
4,666,185			68,238,646		11
14,946,286			128,366,265		12
3,060,134			34,807,272		13
9,219,574			52,516,656		14
	-609,071		2,215,138		15
110,238,927	-609,071		495,924,520		16
					17
			2,347,713		18
711,867			526,665,602		19
5,293,896		-4,328	768,464,150		20
2,892,949			243,665,737		21
194,126			176,360,052		22
102,455			116,317,227		23
			-42,229,190		24
9,195,293		-4,328	1,791,591,291		25
					26
					27
					28
					29
					30
					31
					32
					33
					34
					35
					36
		284,252	2,607,376		37
34,102			100,003,518		38
			19,379,817		39
277,389		-8,400,000	299,885,605		40
2,054,215		8,400,000	40,460,049		41
			25,136,888		42
18,819			6,962,813		43
			204,814		44
2,384,525		284,252	494,640,880		45
121,818,745	-609,071	279,924	2,782,156,691		46

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	14,022,413	474,786
49	(352) Structures and Improvements	9,224,711	1,607,155
50	(353) Station Equipment	163,034,830	29,402,107
51	(354) Towers and Fixtures	26,976,758	1,407,044
52	(355) Poles and Fixtures	123,729,491	6,045,538
53	(356) Overhead Conductors and Devices	90,011,603	5,757,857
54	(357) Underground Conduit		
55	(358) Underground Conductors and Devices		
56	(359) Roads and Trails	1,095,500	1,119,075
57	(359.1) Asset Retirement Costs for Transmission Plant		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	428,095,306	45,813,562
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	7,110,428	229,829
61	(361) Structures and Improvements	8,399,578	2,211,581
62	(362) Station Equipment	191,324,144	10,469,201
63	(363) Storage Battery Equipment		
64	(364) Poles, Towers, and Fixtures	152,327,397	10,476,234
65	(365) Overhead Conductors and Devices	88,342,704	9,855,569
66	(366) Underground Conduit	117,309,915	6,402,653
67	(367) Underground Conductors and Devices	137,923,722	62,366
68	(368) Line Transformers	227,902,323	20,953,989
69	(369) Services	46,560,261	795,016
70	(370) Meters	49,319,320	3,279,448
71	(371) Installations on Customer Premises	12,587,843	600,149
72	(372) Leased Property on Customer Premises		
73	(373) Street Lighting and Signal Systems	10,396,414	572,078
74	(374) Asset Retirement Costs for Distribution Plant		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	1,049,504,049	65,908,113
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT		
77	(380) Land and Land Rights		
78	(381) Structures and Improvements		
79	(382) Computer Hardware		
80	(383) Computer Software		
81	(384) Communication Equipment		
82	(385) Miscellaneous Regional Transmission and Market Operation Plant		
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper		
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)		
85	6. GENERAL PLANT		
86	(389) Land and Land Rights	899,211	934,325
87	(390) Structures and Improvements	94,116,852	10,390,882
88	(391) Office Furniture and Equipment	23,277,951	5,208,607
89	(392) Transportation Equipment	42,030,800	3,500,947
90	(393) Stores Equipment	181,385	
91	(394) Tools, Shop and Garage Equipment	3,476,444	564,884
92	(395) Laboratory Equipment	3,036,230	802,638
93	(396) Power Operated Equipment	6,828,710	1,698,864
94	(397) Communication Equipment	26,425,753	3,368,266
95	(398) Miscellaneous Equipment	2,987,818	712,765
96	SUBTOTAL (Enter Total of lines 86 thru 95)	203,261,154	27,182,178
97	(399) Other Tangible Property		
98	(399.1) Asset Retirement Costs for General Plant		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	203,261,154	27,182,178
100	TOTAL (Accounts 101 and 106)	4,484,604,114	372,768,346
101	(102) Electric Plant Purchased (See Instr. 8)		
102	(Less) (102) Electric Plant Sold (See Instr. 8)		
103	(103) Experimental Plant Unclassified		
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	4,484,604,114	372,768,346

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					47
			14,497,199		48
107,393			10,724,473		49
4,546,853			187,890,084		50
8,051			28,375,751		51
594,109			129,180,920		52
30,720			95,738,740		53
					54
					55
			2,214,575		56
					57
5,287,126			468,621,742		58
					59
		-107,946	7,232,311		60
4,221			10,606,938		61
248,691	-206,709		201,337,945		62
					63
737,846			162,065,785		64
614,945			97,583,328		65
3,143			123,709,425		66
413,688			137,572,400		67
1,358,488			247,497,824		68
			47,355,277		69
			52,598,768		70
98,305			13,089,687		71
					72
28,909			10,939,583		73
					74
3,508,236	-206,709	-107,946	1,111,589,271		75
					76
					77
					78
					79
					80
					81
					82
					83
					84
					85
		-284,252	1,549,284		86
			104,507,734		87
1,822,743		-949,216	25,714,599		88
1,622,040		4,328	43,914,035		89
128,038			53,347		90
152,164			3,889,164		91
44,782			3,794,086		92
37,157			8,490,417		93
1,561,391			28,232,628		94
32,771			3,667,812		95
5,401,086		-1,229,140	223,813,106		96
					97
					98
5,401,086		-1,229,140	223,813,106		99
136,088,987	-815,780	-107,946	4,720,359,747		100
					101
					102
					103
136,088,987	-815,780	-107,946	4,720,359,747		104

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or $1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	PALO VERDE CAPITAL IMPROVEMENTS	50,598,207
2	ENERGY MANAGEMENT SYSTEM REPLACEMENT	11,496,078
3	LEO SUBSTATION UPGRADE	6,187,128
4	MILAGRO TO LEO TRANSMISSION LINE REBUILD	3,881,248
5	SCOTSDALE TRANSFORMER AND SWITCHGEAR REPLACEMENT	3,848,259
6	RIO GRANDE TO SUNSET TRANSMISSION LINE REBUILD	3,689,051
7	LANE TO COPPER TRANSMISSION LINE REBUILD	3,489,040
8	DISTRIBUTION RESIDENTIAL CONSTRUCTION - TX	3,366,464
9	DISTRIBUTION COMMERCIAL CONSTRUCTION - TX	2,818,808
10	CUSTOMER CARE & BILLING SYSTEM 2.4 UPGRADE	2,512,045
11	AIP ACCESS & CLEARING	2,486,406
12	DISTRIBUTION BETTERMENT - TX	2,324,486
13	NEWMAN GAS METERING UPGRADE	2,284,849
14	FABENS DISTRIBUTION AND CUSTOMER CARE FACILITY	2,125,527
15	SPARKS SUBSTATION TRANSFORMER ADDITION	2,097,502
16	SUNSET TRANSFORMER REPLACEMENT	2,055,803
17	AFTON TO AIRPORT TRANSMISSION LINE	2,005,087
18	SANTA FE REGULATOR AND SWITCHGEAR REPLACEMENT	2,001,718
19	STREET CAR (TROLLEY) PROJECT	1,721,844
20	NEWMAN UNIT 5 GT4 WET COMPRESSION UPGRADE	1,607,166
21	NEWMAN UNIT 5 STEAM TURBINE UPGRADE	1,578,363
22	DISTRIBUTION SUBSTATION TRANSFORMERS REPLACEMENTS - TX	1,496,970
23	TX COMMUNITY 3MW SOLAR PROJECT	1,166,838
24	SUNSET UNDERGROUND BREAKER UPGRADES	1,165,858
25	RIO BOSQUE 69KV CAPITAL PROJECT	1,110,940
26	CALIENTE AND DIABLO SUBSTATIONS AUTOTRANSFORMER REPLACEMENTS	1,076,422
27	GLOBAL REACH SUBSTATION TRANSFORMER AND SWITCHGEAR	1,059,505
28	DISTRIBUTION COMMERCIAL CONSTRUCTION - NM	1,040,447
29	EATON CORPORATION UPDATE OF SECONDARY NETWORK SYSTEM	1,030,479
30	TRANSMISSION BLANKET PROJECT	1,000,396
31	MINOR PROJECTS	30,415,572
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43	TOTAL	154,738,506

ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	2,138,294,361	2,138,294,361		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	79,038,903	79,038,903		
4	(403.1) Depreciation Expense for Asset Retirement Costs	-1,159,369	-1,159,369		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	1,038,586	1,038,586		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	78,918,120	78,918,120		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	136,088,987	136,088,987		
13	Cost of Removal	5,124,357	5,124,357		
14	Salvage (Credit)	6,202,117	6,202,117		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	135,011,227	135,011,227		
16	Other Debit or Cr. Items (Describe, details in footnote):	24,055,763	24,055,763		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	2,106,257,017	2,106,257,017		
	Section B. Balances at End of Year According to Functional Classification				
20	Steam Production	223,396,776	223,396,776		
21	Nuclear Production	1,222,958,518	1,222,958,518		
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production	30,079,171	30,079,171		
25	Transmission	218,600,684	218,600,684		
26	Distribution	348,308,611	348,308,611		
27	Regional Transmission and Market Operation				
28	General	62,913,257	62,913,257		
29	TOTAL (Enter Total of lines 20 thru 28)	2,106,257,017	2,106,257,017		

Schedule Page: 219 Line No.: 16 Column: b

This number includes the a net book value removal of $24,295,012 related to the sale of the Four Corners Plant. Also, included in this category is a ($175,022)write-off of the NM portion of the Four Corners ARO asset and a reserve transfer of ($64,227)to account(404)Amortization of limited term electric plant.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	1,471,698	1,831,509	Production
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	32,708,589	31,853,106	Production
8	Transmission Plant (Estimated)	5,517,638	5,524,582	Transmission
9	Distribution Plant (Estimated)	6,414,258	5,317,545	Distribution
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)	2,587,188	2,660,316	Various
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	47,227,673	45,355,549	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)	-2,006	1,106	
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	48,697,365	47,188,164	

Schedule Page: 227   Line No.: 11   Column: b

Consists primarily of items used in the field and includes conduit, underground rubber goods, lighting and safety suplies and tools.

Schedule Page: 227   Line No.: 11   Column: c

Consists primarily of items used in the field and includes conduit, underground rubber goods, lighting and safety suplies and tools.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2017	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	13,963.00		359.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	366.00			
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9	Evolution Markets	10.00			
10					
11					
12					
13					
14					
15	Total	10.00			
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20	Emissions Deduction	18.00			
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	14,321.00		359.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2018 No. (f)	2018 Amt. (g)	2019 No. (h)	2019 Amt. (i)	Future Years No. (j)	Future Years Amt. (k)	Totals No. (l)	Totals Amt. (m)	Line No.
359.00		359.00		9,693.00		24,733.00		1
								2
								3
						366.00		4
								5
								6
								7
								8
						10.00		9
								10
								11
								12
								13
								14
						10.00		15
								16
								17
								18
								19
						18.00		20
								21
								22
								23
								24
								25
								26
								27
								28
359.00		359.00		9,693.00		25,091.00		29
								30
								31
								32
								33
								34
								35
								36
								37
								38
								39
								40
								41
								42
								43
								44
								45
								46

Schedule Page: 228 Line No.: 1 Column: b

The Balance-Beginning of the Year 2016 reflects allowances from both the Acid Rain Program (ARP) accounts for the Newman, Montana, and Rio Grande as well as the new U.S. Environmental Protection Agency ("EPA") trading rule Cross-State Air Pollution Rule (CSAPR) for Newman, Copper, and MPS. The entries reported for years 2016 and 2017 represent CSAPR allowances deposited into EPE’s account for years 2016 and 2017.

Schedule Page: 228 Line No.: 1 Column: d

Represents allowances allocated to the Company by the EPA based on our current electric generation and the current regulatory framework.

Schedule Page: 228 Line No.: 1 Column: f

Represents allowances allocated to the Company by the EPA based on our current electric generation and the current regulatory framework. There have been no allocations made yet under CSAPR for years beyond 2017.

Schedule Page: 228 Line No.: 1 Column: h

Represents allowances allocated to the Company by the EPA based on our current electric generation and the current regulatory framework. There have been no allocations made yet under CSAPR for years beyond 2017.

Schedule Page: 228 Line No.: 1 Column: j

Represents allowances allocated to the Company by the EPA based on our current electric generation and the current regulatory framework. Allowances for future years include allowances for each year beginning in 2020 and beyond. There have been no allocations made yet under CSAPR for years beyond 2017.

Schedule Page: 228 Line No.: 1 Column: l

Represents allowances banked by the Company through December 31, 2015.

Schedule Page: 228 Line No.: 1 Column: m

The Company has not purchased any allowances; however, at December 29, 2016 SO2 allowances were trading at approximately $0.50 per ton (allowance)under Acid Rain and $6.00 under CSAPR.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year No. (b)	Current Year Amt. (c)	2017 No. (d)	2017 Amt. (e)
1	Balance-Beginning of Year	1.00	130		
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	1,876.00		520.00	
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9	Evolution Markets	469.00	45,580		
10					
11					
12					
13					
14					
15	Total	469.00	45,580		
16					
17	Relinquished During Year:				
18	Charges to Account 509	1,030.00	62,575		
19	Other:				
20			-44,688		
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	1,316.00	27,823	520.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2018		2019		Future Years		Totals		Line
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	No.
						1.00	130	1
								2
								3
520.00						2,916.00		4
								5
								6
								7
								8
						469.00	45,580	9
								10
								11
								12
								13
								14
						469.00	45,580	15
								16
								17
						1,030.00	62,575	18
								19
							-44,688	20
								21
								22
								23
								24
								25
								26
								27
								28
520.00						2,356.00	27,823	29
								30
								31
								32
								33
								34
								35
								36
								37
								38
								39
								40
								41
								42
								43
								44
								45
								46

Schedule Page: 229 Line No.: 1 Column: b

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 1 Column: c

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 1 Column: l

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 1 Column: m

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 4 Column: b

Represents 1,221 NOx allowances eligible for annual emission use, 618 NOx allowances eligible for ozone-season emission, and 37 new units set aside allocated by EPA. All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 4 Column: d

Represents 520 Nox allowances eligible for ozone-season emission. Nox allowances eligible for annual emission use have not been provided as of the date of this report. All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 4 Column: f

Represents 520 Nox allowances eligible for ozone-season emission. Nox allowances eligible for annual emission use have not been provided as of the date of this report. All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 4 Column: l

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 4 Column: m

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 9 Column: b

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 9 Column: c

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 9 Column: l

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 9 Column: m

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 15 Column: b

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 15 Column: c

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 15 Column: l

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 15 Column: m

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 18 Column: b

Includes the NOx allowances expected to be purchased for the 2016 compliance year. All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 18 Column: c

Includes the NOx allowances expected to be purchased for the 2016 compliance year. All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 18 Column: l

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 18 Column: m

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 20 Column: c

Represents the NOx allowance cost adjustment to true-up to the 2015 expense. All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 20 Column: m

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 29 Column: b

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 29 Column: c

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 29 Column: d

All entries to this form correspond to EPE’s allowances under both CSAPR Annual and Ozone

Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 29 Column: l

All entries to this form correspond to EPE's allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Schedule Page: 229 Line No.: 29 Column: m

All entries to this form correspond to EPE's allowances under both CSAPR Annual and Ozone Season allocations. Please note that NOx Seasonal and NOx annual allowances are not interchangeable.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	**Transmission Studies**				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	**Generation Studies**				
22	AC200S PV Project SIS	122,715	186-000	(122,715)	186-000
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS Written off During the Quarter /Year Account Charged (d)	CREDITS Written off During the Period Amount (e)	Balance at end of Current Quarter/Year (f)
1	Taxes - Regulatory Assets	117,479,520	16,651,371	various	35,290,307	98,840,584
2						
3	Rio Grande Resources Trust:					
4	Nuclear Fuel Postload Daily Finance Charge	4,539,385	2,836,216	518	3,275,546	4,100,055
5						
6	Coal Reclamation	9,519,760	253,005	501/431	1,591,947	8,180,818
7						
8	New Mexico Four Corners Decommissioning		1,400,433			1,400,433
9						
10	Net Undercollection of Fuel Revenues:					
11	Texas		11,560,890	440s	437,980	11,122,910
12						
13	Texas:					
14	2015 Texas Rate Case Costs	1,881,821	1,769,521	928	981,417	2,669,925
15	2017 Texas Rate Case Costs		245,991			245,991
16						
17	Texas Energy Efficiency	25,447		254	25,447	
18						
19	Texas Relate Back Surcharge		8,048,576	131	1,593,268	6,455,308
20						
21	New Mexico Renewable Energy					
22	Credits and Related Costs	6,397,097	1,097,194	407.3	557,520	6,936,771
23						
24	New Mexico:					
25	2010 FPPCAC Audit	434,259		407.3	36,186	398,073
26	2015 New Mexico Rate Case Costs	1,288,300		407.3	214,716	1,073,584
27	2017 New Mexico Rate Case Costs		10,441			10,441
28						
29	Palo Verde Deferred Depreciation	4,567,585		407.3	152,184	4,415,401
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	**TOTAL :**	146,133,174	43,873,638		44,156,518	145,850,294

Schedule Page: 232 Line No.: 1 Column: f

Amortization period ranges from 5 to 40 years.

Schedule Page: 232 Line No.: 4 Column: f

Amortization is based on a pro rata relationship with nuclear fuel amortization.

Schedule Page: 232 Line No.: 6 Column: a

This amount represents the Company's total final coal mine reclamation unamortized costs, based on a 2014 Golder Associate Study, related to the Company's 7% interest in Units 4 and 5 at Four Corners. Final coal mine reclamation represents the cost to reclaim the land disturbed during the coal mining that was not previously reclaimed while the mine was in operation. Current ongoing reclamation of land was passed through as reconcilable fuel costs.

On February 17, 2015, the Company and Arizona Public Service Company ("APS") entered into an asset purchase agreement (the "Purchase and Sale Agreement") providing for the purchase by APS of the Company's interests in Four Corners. The Four Corners transaction closed on July 6, 2016.

On June 10, 2015, the Company filed an application in Texas requesting reasonableness and public interest findings and certain rate and accounting findings related to the Purchase and Sale Agreement. This case was assigned PUCT Docket No. 44805. Subsequent to the filing of the application, the case has been subject to numerous procedural matters, including a March 23, 2016 order in which the PUCT determined not to dismiss the reasonableness and public interest issues in this docket but to consider the requested rate and accounting findings, including mine reclamation costs, in a rate case proceeding. On September 1, 2016, a motion by parties in the proceeding to suspend the procedural schedule in order to pursue settlement was approved. On March 3, 2017, the Company filed a Joint Motion to Implement Stipulation and Agreement, and commission Staff filed its recommendation that the Company’s disposition of the Four Corners Power Plant was reasonable and consistent with the public interest. A final order approving the Stipulation and Agreement was adopted by the PUCT on March 30, 2017.

At December 31, 2016, the regulatory asset associated with the Four Corners mine reclamation costs for the Company’s Texas jurisdiction was approximately $7.3 million. Until otherwise determined, the Company will continue to recover its mine reclamation costs in Texas under previous orders and decisions of the PUCT. While not binding to the PUCT, the Stipulation and Agreement acknowledged an agreement among the parties related to the rate and accounting treatment of certain costs of Four Corners, including coal reclamation costs. Pursuant to the commission’s order in PUCT Docket No. 44805, recovery of these costs will be addressed in appropriate base rate and fuel-related proceedings. If the PUCT makes a determination that results in changes to how existing regulatory assets or previously incurred costs for Four Corners are recovered in rates, any such changes will be recognized for financial reporting purposes only when it becomes probable future cash flows will change as a result of such regulatory actions.

Pursuant to the final order in NMPRC Case No. 15-00109-UT, the New Mexico jurisdiction portion of the coal reclamation costs are to be recovered through the FPPPCAC over a seven-year period beginning with the rate case to be filed after closing the sale of Four Corners on July 6, 2016.

Schedule Page: 232 Line No.: 8 Column: a

The NMPRC in Case No. 15-00109-UT also approved the Company's request for an accounting order establishing $1.4 million of costs related to the decommissioning of Four Corners as a regulatory asset to be recovered over a seven-year period beginning in the rate case to be filed after closing the sale of Four Corners on July 6, 2016.

Schedule Page: 232 Line No.: 14 Column: a

On August 25, 2016, the PUCT issued its final order in Docket No. 44941 approving the recovery of rate case expenses through a separate sucharge beginning October 1, 2016 and ending September 30, 2018.

Schedule Page: 232 Line No.: 15 Column: f

The Company requested these costs as a component of base rates in the Company's 2017 rate case, PUCT Docket No. 46831, which was filed on February 13, 2017.

Schedule Page: 232 Line No.: 17 Column: a

In accordance with the Final Order in Docket No. 37690, the Company began recovering Energy Efficiency Program costs effective July 2010, through a tariff rider approved by the PUCT via Texas Rate 97. The rate is updated annually. At December 31, 2016, the balance is presented as regulatory liability in account 254.3.

Schedule Page: 232 Line No.: 19 Column: f

On August 25, 2016, the PUCT issued its final order in Docket No. 44941 approving the recovery of revenues associated with the relate back of rates to consumption on and after January 12, 2016 through March 31, 2016 through a separate surcharge beginning October 1, 2016 and ending September 30, 2017.

Schedule Page: 232 Line No.: 22 Column: a

In the NMPRC Case No.15-00127-UT, the NMPRC approved the Company's request to recover costs related to renewable energy certificates and procurement plan costs over a six-year period beginning July 1, 2016.

Schedule Page: 232 Line No.: 25 Column: a

Represents costs incurred for a Fuel and Purchased Power Adjustment Clause (FPPCAC) audit. The Company requested such amounts in Case No. 15-00127-UT and they are being amortized over a three-year period which began when new rates became effective on July 1, 2016.

Schedule Page: 232 Line No.: 26 Column: a

This balance is related to rate case costs requested in Case No. 15-00127-UT and is being amortized over a three-year period beginning July 1, 2016.

Schedule Page: 232 Line No.: 27 Column: f

The Company will request these costs as a component of base rates in the Company's next rate case filing.

Schedule Page: 232 Line No.: 29 Column: a

In NMPRC Case No. 09-00171-UT, the NMPRC extended the depreciable life of Palo Verde an additional 20 years for New Mexico ratemaking purposes, reducing the depreciation expense collected from New Mexico customers in rates, effective January 2010. In April 2011, the NRC renewed the operating license for all three units at Palo Verde for an additional 20 years; therefore, the incremental difference in Palo Verde depreciation for the New Mexico jurisdiction is being amortized to account 407.3 over the remaining life of Palo Verde.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than $100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS Account Charged (d)	CREDITS Amount (e)	Balance at End of Year (f)
1	Facility & Impact Study	-139,238	123,360	131	256,000	-271,878
2						
3	Four Corners:					
4	Coal Severance surtax assesment	300,000		253	300,000	
5						
6	Miscellaneous	83	2,103	various	83	2,103
7						
8	Reimbursable Transmission &					
9	Distribution Projects	174,051	1,852,380	131	1,797,595	228,836
10						
11	El Paso Water Utilities Land					
12	Lease	1,467,752	361,408	507	455,056	1,374,104
13						
14	Palo Verde:					
15	Water Agreement Deposit	3,946,443		519	119,327	3,827,116
16	Pooled Inventory Management		429,203			429,203
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
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45						
46						
47	Misc. Work in Progress	151,320				42,891
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	5,900,411				5,632,375

Schedule Page: 233 Line No.: 12 Column: c

Annual cash payment for land leased adjacent to our Newman Power Plant.

Schedule Page: 233 Line No.: 15 Column: a

In May 2010, Palo Verde entered into a 40 year Municipal Effluent Purchase and Sale Agreement with the Sub-regional Operating Group (City of Phoenix, City of Mesa, City of Scottsdale and the City of Glendale).

Schedule Page: 233 Line No.: 47 Column: a

Represents miscellaneous charges pending final classification.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Begining of Year (b)	Balance at End of Year (c)
1	Electric		
2		243,022,861	251,005,671
3			
4			
5			
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	243,022,861	251,005,671
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15		
17	Other (Specify)	612,755	432,989
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	243,635,616	251,438,660

Notes

Schedule Page: 234 Line No.: 2 Column: c

El Paso Electric Company
Account 190 - FERC ONLY
For the Year Ended December 31, 2016

< Page 234 Line 2 Column (a) >

	Balance at Beginning of Year	Balance at End of Year
ELECTRIC		
Deferred tax assets:		
Plant, principally due to capitalized costs	62,573,195	58,612,835
Benefit of tax loss carryforwards	35,503,109	61,293,291
Pensions and benefits	58,912,208	57,698,350
Alternative minimum tax credit carryforward	16,619,874	16,619,874
Regulatory liabilities related to income taxes	11,344,606	6,120,102
Asset retirement obligation	29,741,359	30,461,545
Deferred fuel	1,408,005	(246,827)
Debt	6,632,567	6,649,405
Other	20,287,938	13,797,096
Net deferred tax assets	243,022,861	251,005,671

< Page 234 Line 17 Column (a) >

	Balance at Beginning of Year	Balance at End of Year
OTHER (Specify)		
Deferred tax assets:		
Other capitalized costs	0	0
Decommissioning costs	612,755	432,989
Net deferred tax assets	612,755	432,989
Total Account 190	243,635,616	251,438,660

CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	201			
2	Common Stock (1)			
3	New York Stock Exchange (NYSE)	100,000,000	1.00	
4	Total Common Stock (2)	100,000,000		
5				
6	204			
7	Preferred Stock	2,000,000		
8	Total Preferred Stock	2,000,000		
9				
10				
11	(1) As of December 31, 2016, 1,421,342			
12	unissued shares of Common Stock of the			
13	Company were reserved for future			
14	allocations under the 2007 Amended and			
15	Restated Long-Term Incentive Plan.			
16				
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27				
28	Note: For additional information see the			
29	El Paso Electric Company 2016 Form 10-K			
30	filed with the SEC February 24, 2017.			
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
						2
65,822,632	65,824,151	25,304,914	421,514,793			3
65,822,632	65,824,151	25,304,914	421,514,793			4
						5
						6
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						42

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.

(b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	211. Other Paid-in Capital	
2	Deferred Compensation:	
3	Performance Awards	2,448,606
4		
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40	TOTAL	2,448,606

Schedule Page: 253 Line No.: 3 Column: b

Represents deferred compensation related to grants of performance share awards to certain officers in 2014, 2015, and 2016 under the Company's existing long-term incentive plans, which provide for the issuance of Company stock based on the achievement of certain performance criteria over a three-year period.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	214. Capital Stock Expense	340,939
2		
3		
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22	TOTAL	340,939

LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 221		
2			
3	2009 Series A Palo Verde Pollution Control Bonds	63,500,000	1,168,950
4	2009 Series B Palo Verde Pollution Control Bonds	37,100,000	811,106
5	2012 Series A Palo Verde Pollution Control Bonds	59,235,000	896,854
6	2012 Series A Four Corners Pollution Control Bonds	33,300,000	912,545
7			
8	Subtotal	193,135,000	3,789,455
9			
10	Account 222		
11			
12	Subtotal		
13			
14	Account 224		
15			
16	2005 Senior Notes	400,000,000	5,239,886
17			2,312,000 D
18	2008 Senior Notes	150,000,000	1,714,035
19			1,281,000 D
20	2012 Senior Notes	150,000,000	1,338,657
21			318,000 D
22	2014 Senior Notes	150,000,000	1,787,396
23			532,500 D
24	2016 Senior Notes	150,000,000	1,762,201
25			-7,051,500 P
26	Treasury Rate Lock Agreements		
27	Subtotal	1,000,000,000	9,234,175
28			
29	Interest on obligations under capital lease (Rio Grande Resources Trust):		
30	$95 million RGRT Senior Notes		
31	Revolving Credit Facility		
32			
33	TOTAL	1,193,135,000	13,023,630

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD Date From (f)	AMORTIZATION PERIOD Date To (g)	Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
						1
						2
03/26/09	02/01/40	03/26/09	02/01/40	63,500,000	4,603,750	3
03/26/09	04/01/40	03/26/09	04/01/40	37,100,000	2,689,750	4
08/28/12	08/01/42	08/28/12	08/01/42	59,235,000	2,665,575	5
08/28/12	06/01/32	08/28/12	06/01/32	33,300,000	624,375	6
						7
				193,135,000	10,583,450	8
						9
						10
						11
						12
						13
						14
						15
05/17/05	05/15/35	05/17/05	05/15/35	400,000,000	24,000,000	16
						17
06/03/08	03/15/38	06/03/08	03/15/38	150,000,000	11,250,000	18
						19
12/06/12	12/15/22	12/06/12	12/15/22	150,000,000	4,950,000	20
						21
12/01/14	12/01/44	12/01/14	12/01/44	150,000,000	7,500,000	22
						23
03/24/16	12/01/44	03/24/16	12/01/44	150,000,000	5,770,833	24
						25
					498,647	26
				1,000,000,000	53,969,480	27
						28
						29
					4,503,000	30
					611,642	31
						32
				1,193,135,000	69,667,572	33

Schedule Page: 256 Line No.: 29 Column: a

Rio Grande Resources Trust is a trust through which the Company finances its portion of nuclear fuel for Palo Verde.

Schedule Page: 256 Line No.: 30 Column: b

Obligations under capital lease-noncurrent are recorded in FERC account 227.

Schedule Page: 256 Line No.: 31 Column: b

Obligations under capital lease-current are recorded in FERC account 243.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be field, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as Long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	97,956,132
2		
3		
4	Taxable Income Not Reported on Books	
5	(see page 261 footnote)	9,140,425
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10	(see page 261 footnote)	4,363,502
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15	(see page 261 footnote)	19,114,202
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20	(see page 261 footnote)	-237,461,718
21		
22		
23		
24	Federal Income Taxes (detail below)	48,094,269
25		
26		
27	Federal Tax Net Income	-58,793,188
28	Show Computation of Tax:	
29		
30		
31	Tax Computed at Statutory Rate	52,818,275
32	ITC Amortization Net of Deferred Taxes	-1,009,432
33	Amortization of Excess Deferred Taxes	848,989
34	Permanent Differences	-2,292,139
35	State Income Taxes (Federal Effect)	-1,700,626
36	Amortization of Regulatory Assets	-543,540
37	Allowance for Equity Finds Used During Construction	-314,265
38	Other	287,007
39		
40		
41		
42	Total Federal Income Tax Expense (Benefit)	48,094,269
43		
44		

Schedule Page: 261 Line No.: 5 Column: b

Taxable Income Not Reported on Books
< Page 261, Line 5, Column b >

Contributions in aid of construction	1,842,067
Capitalized Construction Interest and Capitalized Costs	4,054,322
Unbilled Revenue	3,244,036
Taxable Income Not Reported on Books	9,140,425

Deductions Recorded on Books not Deducted for Return
< Page 261, Line 10, Column b >

Meals and Entertainment	113,048
Lobbying	771,808
Debt Issuance Costs	957,151
Employee Benefits	1,179,494
Taxes Other Than Federal	1,342,001
Deductions Recorded on Books Not Deducted for Return	4,363,502

Income Recorded on Books Not Deducted for Return
< Page 261, Line 15, Column b >

Decommissioning Trust Interest Net of Fees	(1,485,376)
AFUDC	19,892,716
Other	706,862
Income Reported on Books Not Included in Return	19,114,202

Deductions on Return Not Charged Against Book Income
< Page 261, Line 20, Column b >

Depreciation and Amortization Differences	(185,711,060)
Coal Reclamation	(21,652,560)
Deferred Fuel	(14,890,819)
Section 174 R&D	(2,251,805)
SFAS 143 Asset Retirement Obligation	(1,409,025)
Legal Expense Accrual	(139,055)
Decommissioning Costs	(8,814,997)
Repair Allowance	(6,226,709)
State Income Taxes	3,634,312
Deductions on Return not Charged Against Book Income	(237,461,718)

Tax Computed at Statutory Rate
< Page 261, Line 31, Column b >

Net Income	97,956,132
Federal and State Income Tax Expense	52,953,225
Pre-Tax Income	150,909,357
Tax Rate	35%
Tax Computed at Statutory Rate	52,818,275

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are know, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b)amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjust-ments (f)
1	FEDERAL					
2	Current FIT Payable	482,265		2,116,705	2,091,000	482,265
3	Prior Years	2,600,563		166,428	66,000	-482,265
4	FUTA			49,914	49,914	
5	Insurance Contributions			7,129,477	7,129,477	
6	Subtotal	3,082,828		9,462,524	9,336,391	
7						
8	State County & Local - TX					
9	Ad Valorem	10,620,105	-2	11,776,577	10,644,823	
10	Gross Receipts	2,242,442		10,718,907	10,547,420	
11	Unemployment			50,070	50,070	
12	Franchise Tax / Margin Tax	-1,656,771		1,272,230	695,471	
13	Use Tax	540,119	2	6,110,195	6,100,527	
14	Regulatory Commission	552,529	2	1,026,323	986,256	
15	Franchise Fees (OSR)	4,651,481	11,791	20,992,546	20,702,886	
16	Subtotal	16,949,905	11,793	51,946,848	49,727,453	
17						
18	State County & Local - NM					
19	Ad Valorem	2,356,750	1,622	4,523,469	4,211,437	
20	Income	1,205	524,411	51	-524,311	
21	Unemployment			21,936	21,936	
22	Compensating	70,974	633,515	682,262	63,289	
23	Regulatory Commission	954,110	-1	947,080	942,530	
24	Franchise Fees (OSR)	459,057	97	3,878,356	4,143,786	
25	L.C. Fran., Pumping Facility					
26	Payroll Taxes			111,550	111,550	
27	Worker's Comp Fee					
28						
29						
30	Other Taxes	-2	1	3		
31	Subtotal	3,842,094	1,159,645	10,164,707	8,970,217	
32						
33						
34	State County & Local - AZ					
35	Ad Valorem	4,123,936		7,320,294	7,736,551	
36	Income	-1,541,095	794,833	398,254		
37	Palo Verde Payroll Taxes			2,964,138	2,964,138	
38	Sales & Use Taxes	124		-124		
39	Subtotal	2,582,965	794,833	10,682,562	10,700,689	
40						
41	TOTAL	26,457,792	1,966,271	82,256,641	78,734,750	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (I) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
25,705		-6,601,332			8,718,037	2
3,183,256		-1,332,057			1,498,485	3
		39,814			10,100	4
		5,686,873			1,442,604	5
3,208,961		-2,206,702			11,669,226	6
						7
						8
11,751,861		11,082,832			693,745	9
2,413,929		10,718,908			-1	10
		39,939			10,131	11
-1,080,012		1,215,258			56,972	12
549,785		55,084			6,055,111	13
592,594		1,026,319			4	14
4,940,203	10,853	20,992,547			-1	15
19,168,360	10,853	45,130,887			6,815,961	16
						17
						18
2,668,782	1,622	4,430,921			92,548	19
1,206	50	-310,848			310,899	20
		17,497			4,439	21
56,432		9,691			672,571	22
958,661		947,082			-2	23
223,825	30,295	104,180			3,774,176	24
						25
		111,550				26
						27
						28
						29
		-14,987			14,990	30
3,908,906	31,967	5,295,086			4,869,621	31
						32
						33
						34
3,707,679		7,320,294				35
-1,217,208	720,466	-129,332			527,586	36
		2,964,138				37
					-124	38
2,490,471	720,466	10,155,100			527,462	39
						40
28,776,698	763,286	58,374,371			23,882,270	41

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g).Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%	20,725,592	411.4		411.4/420	1,506,211	
6	30%	599,855			411.4	46,761	
7							
8	TOTAL	21,325,447				1,552,972	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10			411.4		411.4	1,552,972	
11					420		
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
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24							
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39							
40							
41							
42							
43							
44							
45							
46							
47							
48							

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
			3
			4
19,219,381	25 Years		5
553,094	25 Years		6
			7
19,772,475			8
			9
-1,552,972			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
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			25
			26
			27
			28
			30
			31
			32
			33
			34
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			40
			41
			42
			43
			44
			45
			46
			47
			48

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

OTHER DEFFERED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than $100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS Contra Account (c)	DEBITS Amount (d)	Credits (e)	Balance at End of Year (f)
1	Four Corners:					
2	Coal Reclamation	19,293,851	131	19,546,856	253,005	
3	Rents and Benefits Accruals	623,609	131	1,043,229	419,620	
4	Coal Severance Surtax Assessment	300,000	131/186	300,000		
5						
6	Environmental Accrual	494,000	131/514	294,231		199,769
7						
8	Texas Docket 23530 Settlement	953,308	131	640,000	762	314,070
9						
10	Contribution in Aid of Construct.	330,587	416	456,849	611,630	485,368
11						
12	Other	588,372	131	25,573	60,808	623,607
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
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35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	22,583,727		22,306,738	1,345,825	1,622,814

Schedule Page: 269 Line No.: 2 Column: a

On February 17, 2015, the Company and APS entered into an asset purchase agreement, providing for the purchase by APS of the Company's interests in Four Corners. The purchase price was adjusted downward to reflect the assumption by APS's affiliate of the Company's obligation to pay for future mine reclamation expenses. The Four Corners transaction closed on July 6, 2016.

Schedule Page: 269 Line No.: 3 Column: a

On February 17, 2015, the Company and APS entered into an asset purchase agreement, providing for the purchase by APS of the Company's interests in Four Corners. The purchase price was adjusted downward to reflect the assumption by APS's affiliate of the Company's obligation to pay for future rents and benefits expenses. The Four Corners transaction closed on July 6, 2016.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ACCUMULATED DEFFERED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization
2. For other (Specify),include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR Amounts Debited to Account 410.1 (c)	CHANGES DURING YEAR Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	657,029,391	136,511,348	38,963,162
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	657,029,391	136,511,348	38,963,162
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	657,029,391	136,511,348	38,963,162
10	Classification of TOTAL			
11	Federal Income Tax	657,029,391	136,511,348	38,963,162
12	State Income Tax			
13	Local Income Tax			

NOTES

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS					
Amounts Debited to Account 410.2	Amounts Credited to Account 411.2	Debits		Credits		Balance at End of Year	Line No.
		Account Credited	Amount	Account Debited	Amount		
(e)	(f)	(g)	(h)	(i)	(j)	(k)	
							1
18,845,729	888,653			various	122,488	772,657,141	2
							3
							4
18,845,729	888,653				122,488	772,657,141	5
							6
							7
							8
18,845,729	888,653				122,488	772,657,141	9
							10
18,845,729	888,653				122,488	772,657,141	11
							12
							13

NOTES (Continued)

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ACCUMULATED DEFFERED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify),include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Deferred Tax	26,950,743	18,727,298	33,366,851
4				
5	Deferred State Tax	36,581,999	15,134,061	51,716,060
6	Excess ADSIT		9,740,917	112,549
7	FIT on SIT	16,411,519		
8	Other - Debt	16		16
9	TOTAL Electric (Total of lines 3 thru 8)	79,944,277	43,602,276	85,195,476
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	79,944,277	43,602,276	85,195,476
20	Classification of TOTAL			
21	Federal Income Tax	43,362,278	18,727,298	33,366,867
22	State Income Tax	36,581,999	24,874,978	51,828,609
23	Local Income Tax			

NOTES

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS						
		Debits		Credits				
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	Balance at End of Year (k)	Line No.
							1
							2
		254.3		182.3		12,311,190	3
							4
		254.3		182.3			5
1,024	58,362					9,571,030	6
118,691	16,530,210	254.3		182.3			7
		254.3		182.3			8
119,715	16,588,572					21,882,220	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
119,715	16,588,572					21,882,220	19
							20
118,691	16,530,210					12,311,190	21
1,024	58,362					9,571,030	22
							23

NOTES (Continued)

Schedule Page: 274 Line No.: 2 Column: k

El Paso Electric Company
Account 282 - FERC ONLY
For the Year Ended December 31, 2016

	Balance at Beginning of Year	Balance at End of Year
Electric:		
Plant, principally due to depreciation and basis differences	$ 580,763,795	$ 664,228,278
Regulatory assets related to income taxes	43,696,920	71,494,784
Decommissioning	32,568,676	36,934,079
Total - Electric Other	$ 657,029,391	$ 772,657,141

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Begining of Current Quarter/Year (b)	DEBITS Account Credited (c)	DEBITS Amount (d)	Credits (e)	Balance at End of Current Quarter/Year (f)
1	Regulatory Tax Liabilities	47,835,766	various	13,192,406	543,541	35,186,901
2						
3	Net Overcollection of Fuel Revenues:					
4	Texas	94,283	440s	94,283		
5	New Mexico	3,826,599	440s	3,575,167		251,432
6	FERC	101,994	440s	98,526		3,468
7						
8	New Mexico Energy Efficiency Program	2,238,256	131	4,636,270	4,557,345	2,159,331
9						
10	Texas Energy Efficiency Program		131	4,344,650	5,632,929	1,288,279
11						
12	Texas Military Base Discount and Recovery	787,787	142	2,665,854	2,061,986	183,919
13						
14	New Mexico Gain on Sale of Assets		407.4	65,310	893,302	827,992
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	54,884,685		28,672,466	13,689,103	39,901,322

Schedule Page: 278 Line No.: 1 Column: f

Amortization period ranges from 5 to 40 years.

Schedule Page: 278 Line No.: 8 Column: a

In accordance with the Final Order in Docket No. 06-0065-UT, the Company started collecting Energy Efficiency costs, effective May 2009, through a tariff rider approved by the NMPRC via New Mexico Rate 17. The rate is updated annually.

Schedule Page: 278 Line No.: 10 Column: a

In accordance with the Final Order in Docket No. 37690, the Company began recovering Energy Efficiency Program costs effective July 2010, through a tariff rider approved by the PUCT via Texas Rate 97. The rate is updated annually.

Schedule Page: 278 Line No.: 12 Column: a

PURA Section 36.354 requires that each electric utility provide Military Base Rate discounts to military bases in areas where customers choice is not available. In accordance with the Final Order in Docket No. 37690, the Military Base Discount Recovery Factor allows the Company to recover the total base rate discount provided to military base facilities from non-military base customers through a recovery factor. The rate is updated annually.

Schedule Page: 278 Line No.: 14 Column: a

In accordance with the Final Order in Case No. 15-00127-UT, effective in July 2016, the Company is sharing its three-year average gains on the sales of assets with its New Mexico customers over a three-year period.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ELECTRIC OPERATING REVENUES (Account 400)

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. Disclose amounts of $250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	351,261,931	314,305,430
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	255,423,792	244,443,490
5	Large (or Ind.) (See Instr. 4)	61,987,823	62,798,642
6	(444) Public Street and Highway Lighting	5,298,948	4,778,932
7	(445) Other Sales to Public Authorities	130,898,094	124,237,707
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	804,870,588	750,564,201
11	(447) Sales for Resale	49,474,578	68,614,530
12	TOTAL Sales of Electricity	854,345,166	819,178,731
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	854,345,166	819,178,731
15	Other Operating Revenues		
16	(450) Forfeited Discounts	1,458,772	1,457,873
17	(451) Miscellaneous Service Revenues	5,592,725	4,801,966
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	3,026,052	3,058,650
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	547,429	369,397
22	(456.1) Revenues from Transmission of Electricity of Others	21,966,186	21,002,179
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	32,591,164	30,690,065
27	TOTAL Electric Operating Revenues	886,936,330	849,868,796

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
2,805,789	2,771,138	362,138	356,969	2
				3
2,403,447	2,384,514	41,014	40,250	4
1,030,745	1,062,662	49	49	5
38,750	38,905	192	189	6
1,533,760	1,546,663	5,111	5,061	7
				8
				9
7,812,491	7,803,882	408,504	402,518	10
2,786,020	3,111,719	25	25	11
10,598,511	10,915,601	408,529	402,543	12
				13
10,598,511	10,915,601	408,529	402,543	14

Line 12, column (b) includes $ -709,000 of unbilled revenues.
Line 12, column (d) includes -27,723 MWH relating to unbilled revenues

Schedule Page: 300 Line No.: 11 Column: d

Includes 796,426 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 11 Column: e

Includes 547,425 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoran dated December 16, 2005.

Schedule Page: 300 Line No.: 12 Column: d

Includes 796,426 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 12 Column: e

Includes 547,425 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoran dated December 16, 2005.

Schedule Page: 300 Line No.: 14 Column: d

Includes 796,426 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 300 Line No.: 14 Column: e

Includes 547,425 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoran dated December 16, 2005.

Schedule Page: 300 Line No.: 17 Column: b

Below is the detail of Miscellaneous Service Revenues recorded in account 451:

	December 2016
Non Pay Reconnect Charges	1,814,875
Name Change/Cut in Charge	2,203,397
New Service Charges	339,516
Overhead/Underground Connection Charges	395,296
Texas Energy Efficiency Bonus	512,545
Misc Other	327,096
Total	5,592,725

Schedule Page: 300 Line No.: 17 Column: c

Below is the detail of Miscellaneous Service Revenues recorded in account 451:

	December 2015
Non Pay Reconnect Charges	1,604,475
Name Change/Cut in Charge	1,102,195
New Service Charges	306,910
Overhead/Underground Connection Charges	210,162
Texas Energy Efficiency Bonus	1,317,499
Misc Other	260,725
Total	4,801,966

Schedule Page: 300 Line No.: 21 Column: b

Includes $462,517 related to the Company's 15.8% share of Palo Verde other electric revenues from APS.

Schedule Page: 300 Line No.: 21 Column: c

Includes $368,690 related to the Company's 15.8% share of Palo Verde other electric revenues from APS.

Schedule Page: 300 Line No.: 27 Column: b

Includes the effect of rate increases approved by the PUCT in its Final Order in Docket No. 44941 on August 25, 2016 and the NMPRC in its Final Order in Case No. 15-00127-UT on June 8, 2016.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	(440)					
2	RESIDENTIAL SALES-TX					
3	01 Residential Service	2,126,567	257,493,954	276,936	7,679	0.1211
4	28 Private Area Lighting Service	1,909	303,901	227	8,410	0.1592
5	TXVRE-R Voluntary Renewable		24,022			
6	Deferred Fuel		4,513,220			
7	Unbilled Revenue	-8,336	227,000			-0.0272
8	Renewable Energy Credit		-21,600			
9	Power Factor Adjustment		9,203			
10	Relate back revenue		5,939,159			
11						
12	RESIDENTIAL SALES-NM					
13	01 Residential Service	686,668	81,003,276	84,673	8,110	0.1180
14	12 Private Area Lighting Service	2,506	576,310	302	8,298	0.2300
15	Deferred Fuel		1,428,546			
16	Unbilled Revenue	-3,525	-228,000			0.0647
17	Renewable Energy Credit		-7,060			
18						
19	Total (440)	2,805,789	351,261,931	362,138	7,748	0.1252
20						
21						
22	(442)					
23	C & I SALES SMALL-TX					
24	02 Small Commercial Service	266,871	37,531,729	24,129	11,060	0.1406
25	07 Outdoor Recreational Lighting	327	38,395	14	23,357	0.1174
26	22 Irrigation Service	3,269	405,455	124	26,363	0.1240
27	24 General Service	1,387,186	134,428,963	6,243	222,199	0.0969
28	25 Large Power Service	224,440	18,205,758	56	4,007,857	0.0811
29	28 Private Area Lighting Service	15,218	1,880,020	444	34,275	0.1235
30	34 Cotton Gin Service	1,698	160,981	2	849,000	0.0948
31	TXVRE-C Voluntary Renewable		671			
32	Deferred Fuel		3,426,683			
33	Unbilled Revenue	-5,277	-123,000			0.0233
34	Renewable Energy Credit		-603			
35	Power Factor Adjustment		-5,246			
36	Relate back revenue		799,380			
37						
38	C & I SALES SMALL-NM					
39	03 Small Commercial Service	156,348	21,552,799	8,511	18,370	0.1379
40	04 General Service	275,064	27,712,752	545	504,705	0.1008
41	TOTAL Billed	7,840,214	805,579,588	408,504	19,193	0.1027
42	Total Unbilled Rev.(See Instr. 6)	-27,723	-709,000	0	0	0.0256
43	TOTAL	7,812,491	804,870,588	408,504	19,125	0.1030

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	05 Irrigation Service	46,288	5,019,109	785	58,966	0.1084
2	08 Municipal Water Pumping	1,936	177,920	23	84,174	0.0919
3	09 Large Power Service	21,114	1,843,659	4	5,278,500	0.0873
4	12 Private Area Lighting Service	2,102	468,023	89	23,618	0.2227
5	19 Seasonal Agr. Processing Svc.	6,173	814,129	37	166,838	0.1319
6	25 Outdoor Recreational Lighting	101	13,400	7	14,429	0.1327
7	29 Interrupt. Svc. for Lg Power	2,191	111,252	1	2,191,000	0.0508
8	Deferred Fuel		1,094,895			
9	Unbilled Revenue	-1,602	-130,000			0.0811
10	Renewable Energy Credit		-3,332			
11						
12	C & I SALES LARGE-TX					
13	15 Electrolytic Refining	57,558	3,509,782	1	57,558,000	0.0610
14	25 Large Power Service	284,965	22,897,609	33	8,635,303	0.0804
15	26 Petroleum Refinery Service	346,523	19,378,586	1	346,523,000	0.0559
16	28 Private Area Lighting Service	201	22,863			0.1137
17	30 Electric Furnace	17,397	1,633,302	1	17,397,000	0.0939
18	38 Interrupt. Svc. for Lg Power	258,328	7,932,389	4	64,582,000	0.0307
19	Deferred Fuel		1,321,380			
20	Unbilled Revenue	-3,499	-231,000			0.0660
21	Power Factor Adjustment		-5,769			
22	Relate back revenue		-443,149			
23						
24	C & I SALES LARGE-NM					
25	09 Large Power Service	61,249	5,390,292	7	8,749,857	0.0880
26	29 Interrupt. Svc. for Lg Power	8,107	417,303	2	4,053,500	0.0515
27	Deferred Fuel		182,235			
28	Unbilled Revenue	-84	-18,000			0.2143
29						
30	Total (442)	3,434,192	317,411,615	41,063	83,632	0.0924
31						
32	(444)					
33	PUBLIC ST. & HIGHWAY LIGHT-TX					
34	08 Gov't Street Lights and Signal	35,820	4,575,171	173	207,052	0.1277
35	Deferred Fuel		41,482			
36	Unbilled Revenue	-182	6,000			-0.0330
37	Power Factor Adjustment		184			
38	Relate back revenue		138,048			
39						
40						
41	TOTAL Billed	7,840,214	805,579,588	408,504	19,193	0.1027
42	Total Unbilled Rev.(See Instr. 6)	-27,723	-709,000	0	0	0.0256
43	TOTAL	7,812,491	804,870,588	408,504	19,125	0.1030

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
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4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	PUBLIC ST. & HIGHWAY LIGHT-NM					
2	11 Municipal St. Lighting and Sig	3,130	531,895	19	164,737	0.1699
3	Deferred Fuel		8,168			
4	Unbilled Revenue	-18	-2,000			0.1111
5						
6	Total (444)	38,750	5,298,948	192	201,823	0.1367
7						
8	(445)					
9	OTHER SALES PUB AUTH-TX					
10	01 Residential Service	380	57,578	192	1,979	0.1515
11	02 Small Commercial Service	10,928	1,556,695	1,249	8,749	0.1425
12	07 Outdoor Recreational Lighting	5,037	580,282	179	28,140	0.1152
13	11 Municipal Pumping Service	160,719	12,239,780	424	379,054	0.0762
14	22 Irrigation	2,000	234,578	18	111,111	0.1173
15	24 General Service	156,124	15,258,894	481	324,582	0.0977
16	25 Large Power Service	125,544	9,826,790	16	7,846,500	0.0783
17	28 Private Area Lighting	9,753	1,112,881	132	73,886	0.1141
18	31 Military Reservation Service	265,207	18,064,237	1	265,207,000	0.0681
19	38 Interruptible Service Large Po	90,871	2,675,334	1	90,871,000	0.0294
20	41 City and County Service	292,639	30,590,947	980	298,611	0.1045
21	43 University Service	12,764	784,226			0.0614
22	45 Supplemental Power	26,715	1,813,803	1	26,715,000	0.0679
23	Deferred Fuel		1,917,038			
24	Unbilled Revenue	-4,425	-68,000			0.0154
25	University Discount		-908,393			
26	Power Factor Adjustment		1,627			
27	Relate back revenue		1,251,662			
28						
29	OTHER SALES PUB AUTH-NM					
30	01 Residential Service	118	16,107	42	2,810	0.1365
31	03 Small Commercial Service	7,808	1,093,660	332	23,518	0.1401
32	04 General Service	34,850	3,492,697	63	553,175	0.1002
33	05 Irrigation Service	147	16,355	4	36,750	0.1113
34	07 City and County Service	69,890	7,909,122	793	88,134	0.1132
35	08 Municipal Pumping Service	30,640	2,720,894	137	223,650	0.0888
36	09 Large Power Service	59,917	4,930,598	6	9,986,167	0.0823
37	10 Military Research & Dev. Power	144,711	10,516,306	2	72,355,500	0.0727
38	12 Private Area Lighting	387	82,749	34	11,382	0.2138
39	25 Outdoor Recreational Lighting	472	60,629	23	20,522	0.1285
40	26 State University Service	31,339	2,365,187	1	31,339,000	0.0755
41	TOTAL Billed	7,840,214	805,579,588	408,504	19,193	0.1027
42	Total Unbilled Rev.(See Instr. 6)	-27,723	-709,000	0	0	0.0256
43	TOTAL	7,812,491	804,870,588	408,504	19,125	0.1030

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

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5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Deferred Fuel		861,323			
2	Unbilled Revenue	-775	-142,000			0.1832
3	Renewable Energy Credit		-15,492			
4						
5	Total (445)	1,533,760	130,898,094	5,111	300,090	0.0853
6						
7						
8						
9						
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34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	7,840,214	805,579,588	408,504	19,193	0.1027
42	Total Unbilled Rev.(See Instr. 6)	-27,723	-709,000	0	0	0.0256
43	TOTAL	7,812,491	804,870,588	408,504	19,125	0.1030

Schedule Page: 304 Line No.: 1 Column: c

Estimated Fuel Clause Revenues by Rate Schedule

(440) RESIDENTIAL SALES

TEXAS

01 Residential Service		$ 43,744,184
28 Private Area Lighting Service		39,244
Power Factor Adjustment		9,203
Deferred Fuel		4,513,220
	Total - Texas	48,305,851

NEW MEXICO

01 Residential Service		9,257,025
12 Private Area Lighting Service		26,842
Deferred Fuel		1,428,546
	Total - New Mexico	10,712,413
	Total (440)	$ 59,018,264

Schedule Page: 304 Line No.: 1 Column: d

There were less than 1,235 duplicate customers for all rates schedules combined in 2016.

Schedule Page: 304 Line No.: 22 Column: c

Estimated Fuel Clause Revenues by Rate Schedule

(442) COMMERCIAL AND INDUSTRIAL SALES

SMALL - TEXAS

02 Small Commercial Service		$ 5,489,556
07 Outdoor Recreational Lighting		6,734
22 Irrigation Service		67,236
24 General Service		28,520,980
25 Large Power Service		4,607,755
28 Private Area Lighting Service		313,004
34 Cotton Gin Service		34,934
Power Factor Adjustment		7,316
Deferred Fuel		3,426,683
	Total - Texas	42,474,198

SMALL - NEW MEXICO

03 Small Commercial Service		2,060,619
04 General Service		3,439,516
05 Irrigation Service		575,996
08 Municipal Water Pumping		20,623
09 Large Power Service		270,867
12 Private Area Lighting Service		22,735
19 Seasonal Agr. Processing Svc.		129,339
25 Outdoor Recreational Lighting		1,372
29 Interrup. Svc for Lg Power		38,192
Deferred Fuel		1,094,895
	Total - New Mexico	7,654,154

LARGE - TEXAS

15 Electrolytic refining	1,128,361
25 Large Power Service	5,825,407
26 Petroleum Refinery Service	6,793,225
28 Private Area Lighting Service	4,138
30 Electric Furnace	341,051
38 Interruptible Svc for Large Power	5,070,132
Power Factor Adjustment	4,059
Deferred Fuel	1,321,380
Total - Texas	20,487,753

LARGE - NEW MEXICO

09 Large Power Service	698,508
29 Interruptible Service Large Power	116,864
Deferred Fuel	182,235
Total - New Mexico	997,607
Total (442)	$ 71,613,712

Schedule Page: 304.1 Line No.: 32 Column: c

Estimated Fuel Clause Revenues by Rate Schedule

(444) PUBLIC STREET AND HIGHWAY LIGHTING

TEXAS

08 Municipal St. Lights & Signals	$ 736,815
Power Factor Adjustment	184
Deferred Fuel	41,482
Total - Texas	778,481

NEW MEXICO

11 Municipal St. Lights & Signals	33,761
Deferred Fuel	8,168
Total - New Mexico	41,929
Total (444)	$ 820,410

Schedule Page: 304.2 Line No.: 8 Column: c

Estimated Fuel Clause Revenues by Rate Schedule

(445) OTHER SALES TO PUBLIC AUTHORITIES

TEXAS

01 Residential Service	$ 7,816
02 Small Commercial Service	224,779
07 Outdoor Rec. Lighting Service	103,560
11 Municipal Pumping Service	3,286,098
22 Irrigation	41,130
24 General Service	3,209,767
25 Large Power Service	2,548,240
28 Private Area Lighting	200,624
31 Military Reservation Service	5,199,109
38 Interruptible Service for Large	1,798,013
41 City and County Service	5,997,951
43 University Service	257,301

45 Supplemental Power		536,952
Power Factor Adjustment		4,487
Deferred Fuel		1,917,038
	Total - Texas	25,332,865

NEW MEXICO

01 Residential Service		1,416
03 Small Commercial Service		95,031
04 General Service		457,279
05 Irrigation Service		2,166
07 City and County Service		909,235
08 Municipal Pumping		383,836
09 Large Power Service		871,356
10 Military Research & Dev. Power		1,122,139
12 Private Area Lighting		4,221
25 Outdoor Rec. Lighting Service		6,501
26 State University Service		423,956
Deferred Fuel		861,323
	Total - New Mexico	5,138,459
	Total (445)	$ 30,471,324

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
2. Enter the name of the purchaser in column (a). Do note abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
LF - for tong-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations)	Statistical Classifi-cation	FERC Rate Schedule or Tariff Number	Average Monthly Billing Demand (MW)	Actual Demand (MW) Average Monthly NCP Demand	Actual Demand (MW) Average Monthly CP Demand
	(a)	(b)	(c)	(d)	(e)	(f)
1	Rio Grande Electric Cooperative	RQ	18	8.25220	10.40940	8.25000
2	Arizona Electric Power Cooperative	SF	MBR	NA	NA	NA
3	Arizona Public Service Company	SF	MBR	NA	NA	NA
4	Avangrid Renewables, LLC	SF	MBR	NA	NA	NA
5	BP Energy Company	SF	MBR	NA	NA	NA
6	Brookfield Energy Marketing, LP	SF	MBR	NA	NA	NA
7	Cargill Power Markets, LLC	SF	MBR	NA	NA	NA
8	Citigroup Energy Inc	SF	MBR	NA	NA	NA
9	City of Burbank California	SF	MBR	NA	NA	NA
10	EDF Trading North America, LLC	SF	MBR	NA	NA	NA
11	Exelon Generation Company, LLC	SF	MBR	NA	NA	NA
12	Freeport-McMoRan Copper & Gold Energy	LU	MBR	NA	NA	NA
13	Guzman Renewable Energy Partners, LLC	SF	MBR	NA	NA	NA
14	Imperial Irrigation District	SF	MBR	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			**0**	**0**	**0**

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
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SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)
demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401,iine 24.
10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE Demand Charges ($) (h)	Energy Charges ($) (i)	Other Charges ($) (j)	Total ($) (h+i+j) (k)	Line No.
62,086	2,121,059	1,553,069	98,524	3,772,652	1
32,742		541,936		541,936	2
2,565		32,785		32,785	3
2,021		55,078		55,078	4
37,107		725,975		725,975	5
292,428		7,765,691		7,765,691	6
6,486		121,976		121,976	7
1,650		47,550		47,550	8
800		18,200		18,200	9
7,190		171,806		171,806	10
4,311		96,515		96,515	11
796,426		1,435,000		1,435,000	12
214		7,052		7,052	13
11,118		259,440		259,440	14
62,086	2,121,059	1,553,069	98,524	3,772,652	
2,723,934	0	45,674,671	27,255	45,701,926	
2,786,020	**2,121,059**	**47,227,740**	**125,779**	**49,474,578**	

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
2. Enter the name of the purchaser in column (a). Do note abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
LF - for tong-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classifi-cation (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)	Actual Demand (MW) Average Monthly CP Demand (f)
1	Los Alamos County	SF	MBR	NA	NA	NA
2	Los Angeles Dept of Water & Power	SF	MBR	NA	NA	NA
3	Macquarie Energy, LLC	SF	MBR	NA	NA	NA
4	Morgan Stanley Capital Group, Inc	SF	MBR	NA	NA	NA
5	PacifiCorp	SF	MBR	NA	NA	NA
6	Powerex Corp	SF	MBR	NA	NA	NA
7	Public Service Company of Colorado	SF	MBR	NA	NA	NA
8	Public Service Company of New Mexico	OS	MBR	NA	NA	NA
9	Public Service Company of New Mexico	SF	MBR	NA	NA	NA
10	Rainbow Energy Marketing Corp	SF	MBR	NA	NA	NA
11	Salt River Project Agricultural Improv	SF	MBR	NA	NA	NA
12	Sempra Gas & Power Marketing, LLC	SF	MBR	NA	NA	NA
13	Sempra Generation, LLC	SF	MBR	NA	NA	NA
14	Shell Energy North America (U.S.), L.P.	SF	MBR	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			**0**	**0**	**0**

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)
demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401,iine 24.
10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE Demand Charges ($) (h)	Energy Charges ($) (i)	Other Charges ($) (j)	Total ($) (h+i+j) (k)	Line No.
4,373		111,271		111,271	1
800		15,280		15,280	2
112,589		2,401,426		2,401,426	3
103,556		2,119,298		2,119,298	4
9,503		185,484		185,484	5
4,379		48,724		48,724	6
6,419		145,514		145,514	7
			5,370	5,370	8
11,094		229,800		229,800	9
18,275		345,412		345,412	10
264,003		7,137,083		7,137,083	11
75		2,250		2,250	12
9,069		196,207	4,671	200,878	13
182,282		3,764,923		3,764,923	14
62,086	2,121,059	1,553,069	98,524	3,772,652	
2,723,934	0	45,674,671	27,255	45,701,926	
2,786,020	**2,121,059**	**47,227,740**	**125,779**	**49,474,578**	

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
2. Enter the name of the purchaser in column (a). Do note abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
LF - for tong-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classifi-cation (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)	Actual Demand (MW) Average Monthly CP Demand (f)
1	Southern California Edison Co	SF	MBR	NA	NA	NA
2	Tenaska Power Services Co	OS	MBR	NA	NA	NA
3	Tenaska Power Services Co	SF	MBR	NA	NA	NA
4	TransAlta Energy Marketing (U.S.) Inc.	SF	MBR	NA	NA	NA
5	TransCanada Energy Sales Ltd.	SF	MBR	NA	NA	NA
6	Tri-State G & T Association Inc	OS	MBR	NA	NA	NA
7	Tri-State G & T Association Inc	SF	MBR	NA	NA	NA
8	Tucson Electric Power Co	OS	MBR	NA	NA	NA
9	Tucson Electric Power Co	SF	MBR	NA	NA	NA
10	UNS Electric Inc	SF	MBR	NA	NA	NA
11	Westar Energy, Inc.	SF	MBR	NA	NA	NA
12	Arizona Electric Power Cooperative, Inc	SF	SRSG	NA	NA	NA
13	Arizona Public Service Company	SF	SRSG	NA	NA	NA
14	Public Service Company of New Mexico	SF	SRSG	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			**0**	**0**	**0**

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)
demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401,iine 24.
10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE Demand Charges ($) (h)	Energy Charges ($) (i)	Other Charges ($) (j)	Total ($) (h+i+j) (k)	Line No.
2,600		60,350		60,350	1
23,850		444,044		444,044	2
477,476		10,646,859	2,080	10,648,939	3
241,273		5,466,464		5,466,464	4
800		20,900		20,900	5
			3,560	3,560	6
10,251		196,969		196,969	7
			11,574	11,574	8
37,327		686,622		686,622	9
4,635		85,795		85,795	10
1,400		26,600		26,600	11
385		7,408		7,408	12
278		5,908		5,908	13
962		19,577		19,577	14
62,086	2,121,059	1,553,069	98,524	3,772,652	
2,723,934	0	45,674,671	27,255	45,701,926	
2,786,020	**2,121,059**	**47,227,740**	**125,779**	**49,474,578**	

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
2. Enter the name of the purchaser in column (a). Do note abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
LF - for tong-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
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SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)	Actual Demand (MW) Average Monthly CP Demand (f)
1	Tucson Electric Power Company	SF	SRSG	NA	NA	NA
2	TRI-STATE	SF	SRSG	NA	NA	NA
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			**0**	**0**	**0**

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)
demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401,iine 24.
10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE: Demand Charges ($) (h)	Energy Charges ($) (i)	Other Charges ($) (j)	Total ($) (h+i+j) (k)	Line No.
1,061		22,207		22,207	1
161		3,292		3,292	2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
62,086	2,121,059	1,553,069	98,524	3,772,652	
2,723,934	0	45,674,671	27,255	45,701,926	
2,786,020	**2,121,059**	**47,227,740**	**125,779**	**49,474,578**	

Schedule Page: 310 Line No.: 1 Column: c

Contract effective April 1, 2008.

Schedule Page: 310 Line No.: 2 Column: c

MBR = Market-Based Rate Tariff.

Schedule Page: 310.1 Line No.: 8 Column: b

Spinning reserves.

Schedule Page: 310.1 Line No.: 8 Column: j

Spinning reserves.

Schedule Page: 310.1 Line No.: 13 Column: j

Short-term transmission charged to wholesale customers.

Schedule Page: 310.2 Line No.: 2 Column: b

Non-firm energy sale.

Schedule Page: 310.2 Line No.: 3 Column: j

Short-term transmission charged to wholesale customers.

Schedule Page: 310.2 Line No.: 6 Column: b

Spinning reserves.

Schedule Page: 310.2 Line No.: 6 Column: j

Spinning reserves.

Schedule Page: 310.2 Line No.: 8 Column: b

Spinning reserves.

Schedule Page: 310.2 Line No.: 8 Column: j

Spinning reserves.

Schedule Page: 310.2 Line No.: 12 Column: c

SRSG = Southwest Reserve Sharing Group Participation Agreement.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	2,773,817	2,874,988
5	(501) Fuel	97,244,691	129,977,104
6	(502) Steam Expenses	3,493,470	4,467,289
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses	3,047,225	3,194,614
10	(506) Miscellaneous Steam Power Expenses	4,111,121	4,051,323
11	(507) Rents	965,023	1,547,639
12	(509) Allowances	17,887	178,950
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	111,653,234	146,291,907
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	2,198,898	2,267,383
16	(511) Maintenance of Structures	1,228,545	1,509,679
17	(512) Maintenance of Boiler Plant	8,514,761	8,330,705
18	(513) Maintenance of Electric Plant	10,059,147	9,025,649
19	(514) Maintenance of Miscellaneous Steam Plant	2,768,382	3,206,654
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	24,769,733	24,340,070
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	136,422,967	170,631,977
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering	14,243,113	14,022,475
25	(518) Fuel	44,031,189	40,344,956
26	(519) Coolants and Water	7,029,684	7,092,872
27	(520) Steam Expenses	6,386,999	6,535,820
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses	4,533,306	4,571,889
31	(524) Miscellaneous Nuclear Power Expenses	22,224,589	21,824,231
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)	98,448,880	94,392,243
34	Maintenance		
35	(528) Maintenance Supervision and Engineering	3,383,142	3,262,585
36	(529) Maintenance of Structures	1,362,010	1,178,941
37	(530) Maintenance of Reactor Plant Equipment	7,766,157	7,743,125
38	(531) Maintenance of Electric Plant	7,940,162	8,873,180
39	(532) Maintenance of Miscellaneous Nuclear Plant	2,108,837	1,784,461
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)	22,560,308	22,842,292
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)	121,009,188	117,234,535
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Mainentance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)		

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	380,254	293,824
63	(547) Fuel	32,715,926	18,296,645
64	(548) Generation Expenses	695,028	323,492
65	(549) Miscellaneous Other Power Generation Expenses	1,399,769	1,305,026
66	(550) Rents	43,058	25,187
67	TOTAL Operation (Enter Total of lines 62 thru 66)	35,234,035	20,244,174
68	Maintenance		
69	(551) Maintenance Supervision and Engineering	521	5,819
70	(552) Maintenance of Structures	38,123	83,874
71	(553) Maintenance of Generating and Electric Plant	2,706,044	1,703,890
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	353,336	350,917
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	3,098,024	2,144,500
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	38,332,059	22,388,674
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	59,727,142	53,545,204
77	(556) System Control and Load Dispatching	1,098,379	1,314,423
78	(557) Other Expenses	85,500	117,960
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	60,911,021	54,977,587
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	356,675,235	365,232,773
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	1,641,654	1,629,572
84			
85	(561.1) Load Dispatch-Reliability	76,925	85,902
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	770,296	757,504
87	(561.3) Load Dispatch-Transmission Service and Scheduling	771,095	711,321
88	(561.4) Scheduling, System Control and Dispatch Services	628,585	870,605
89	(561.5) Reliability, Planning and Standards Development	975,328	889,453
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services		
93	(562) Station Expenses	312,087	409,908
94	(563) Overhead Lines Expenses	305,124	266,072
95	(564) Underground Lines Expenses		
96	(565) Transmission of Electricity by Others	6,274,714	6,052,064
97	(566) Miscellaneous Transmission Expenses	6,277,658	5,015,429
98	(567) Rents	299,485	272,691
99	TOTAL Operation (Enter Total of lines 83 thru 98)	18,332,951	16,960,521
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	75,245	87,681
102	(569) Maintenance of Structures	14,182	16,750
103	(569.1) Maintenance of Computer Hardware		
104	(569.2) Maintenance of Computer Software		
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	584,272	461,801
108	(571) Maintenance of Overhead Lines	1,286,512	1,573,894
109	(572) Maintenance of Underground Lines		
110	(573) Maintenance of Miscellaneous Transmission Plant	50,467	18,972
111	TOTAL Maintenance (Total of lines 101 thru 110)	2,010,678	2,159,098
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	20,343,629	19,119,619

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)		
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)		
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	647,365	711,114
135	(581) Load Dispatching		
136	(582) Station Expenses	1,161,023	1,347,020
137	(583) Overhead Line Expenses	578,990	554,929
138	(584) Underground Line Expenses	563,115	497,696
139	(585) Street Lighting and Signal System Expenses	10,149	240,681
140	(586) Meter Expenses	2,195,953	2,093,552
141	(587) Customer Installations Expenses	545,599	530,201
142	(588) Miscellaneous Expenses	8,913,829	9,244,593
143	(589) Rents	178,335	108,785
144	TOTAL Operation (Enter Total of lines 134 thru 143)	14,794,358	15,328,571
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	64	4
147	(591) Maintenance of Structures	1,525	113
148	(592) Maintenance of Station Equipment	1,035,161	845,607
149	(593) Maintenance of Overhead Lines	5,283,036	5,324,313
150	(594) Maintenance of Underground Lines	578,357	521,946
151	(595) Maintenance of Line Transformers	14,105	6,826
152	(596) Maintenance of Street Lighting and Signal Systems	207,137	388,684
153	(597) Maintenance of Meters	298,084	205,373
154	(598) Maintenance of Miscellaneous Distribution Plant	456,795	259,990
155	TOTAL Maintenance (Total of lines 146 thru 154)	7,874,264	7,552,856
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	22,668,622	22,881,427
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision		111
160	(902) Meter Reading Expenses	2,523,572	2,578,425
161	(903) Customer Records and Collection Expenses	13,389,220	14,137,531
162	(904) Uncollectible Accounts	2,426,488	1,876,782
163	(905) Miscellaneous Customer Accounts Expenses	514,170	555,086
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	18,853,450	19,147,935

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses		
169	(909) Informational and Instructional Expenses	205,493	222,341
170	(910) Miscellaneous Customer Service and Informational Expenses		
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	205,493	222,341
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses		
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)		
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	32,616,446	32,485,114
182	(921) Office Supplies and Expenses	4,275,954	5,197,828
183	(Less) (922) Administrative Expenses Transferred-Credit		
184	(923) Outside Services Employed	15,740,690	15,325,541
185	(924) Property Insurance	3,865,062	3,564,933
186	(925) Injuries and Damages	4,309,021	4,144,948
187	(926) Employee Pensions and Benefits	25,375,291	28,050,851
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	6,324,452	3,980,895
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	830,007	857,997
192	(930.2) Miscellaneous General Expenses	15,959,194	16,470,747
193	(931) Rents	336,138	615,445
194	TOTAL Operation (Enter Total of lines 181 thru 193)	109,632,255	110,694,299
195	Maintenance		
196	(935) Maintenance of General Plant	6,432,999	6,183,543
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	116,065,254	116,877,842
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	534,811,683	543,481,937

Schedule Page: 320 Line No.: 25 Column: b

Includes a DOE refund of $1,791,583

Schedule Page: 320 Line No.: 25 Column: c

Includes a DOE refund of $6,404,345

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)	Actual Demand (MW) Average Monthly CP Demand (f)
1	Arizona Electric Power Cooperative	SF	MBR	NA	NA	NA
2	Arizona Public Service Company	SF	MBR	NA	NA	NA
3	Avangrid Renewables LLC	SF	MBR	NA	NA	NA
4	Basin Electric Power Coop	SF	MBR	NA	NA	NA
5	BP Energy Company	SF	MBR	NA	NA	NA
6	Brookfield Energy Marketing LP	SF	MBR	NA	NA	NA
7	Cargill Power Markets, LLC	SF	MBR	NA	NA	NA
8	City of Burbank Water & Power	SF	MBR	NA	NA	NA
9	EDF Trading North America, LLC	SF	MBR	NA	NA	NA
10	Exelon Generation Company LLC	SF	MBR	NA	NA	NA
11	Four Peaks Energy Inc.	LU	MBR	NA	NA	NA
12	Freeport-McMoRan Copper & Gold Energy	LU	MBR	NA	NA	NA
13	Guzman Renewable Energy Partners LLC	SF	MBR	NA	NA	NA
14	Hatch Solar Energy Center 1 LLC	LU	MBR	NA	NA	NA
	Total					

PURCHASED POWER(Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges ($) (j)	Energy Charges ($) (k)	Other Charges ($) (l)	Total (j+k+l) of Settlement ($) (m)	
1,605				61,275		61,275	1
6,700				203,270		203,270	2
220,000				5,632,988		5,632,988	3
5,565				139,077		139,077	4
5,782				123,365		123,365	5
13,017				242,810		242,810	6
3,200				86,500		86,500	7
800				26,800		26,800	8
4,421				91,972		91,972	9
2,730				63,093		63,093	10
749				33,632	15,427	49,059	11
796,426							12
5,689				154,111		154,111	13
7,302				868,921	-305,592	563,329	14
2,317,967	53,725	23,015		58,067,030	1,660,112	59,727,142	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)	Actual Demand (MW) Average Monthly CP Demand (f)
1	Imperial Irrigation District	SF	MBR	NA	NA	NA
2	Los Angeles Dept of Water and Power	SF	MBR	NA	NA	NA
3	Los Angeles Dept of Water and Power	OS	MBR	NA	NA	NA
4	Macho Springs Solar, LLC	LU	MBR	NA	NA	NA
5	Macquarie Energy LLC	SF	MBR	NA	NA	NA
6	Morgan Stanley Capital Group, Inc.	SF	MBR	NA	NA	NA
7	Newman Solar LLC	LU	MBR	NA	NA	NA
8	NRG Solar Roadrunner, LLC	LU	MBR	NA	NA	NA
9	PacifiCorp	SF	MBR	NA	NA	NA
10	Powerex Corp.	SF	MBR	NA	NA	NA
11	Public Service Company of Colorado	SF	MBR	NA	NA	NA
12	Public Service Company of New Mexico	SF	MBR	NA	NA	NA
13	Rainbow Energy Marketing Corp	SF	MBR	NA	NA	NA
14	Rainbow Energy Marketing Corp	OS	MBR	NA	NA	NA
	Total					

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

PURCHASED POWER(Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
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MegaWatt Hours Purchased (g)	POWER EXCHANGES: MegaWatt Hours Received (h)	POWER EXCHANGES: MegaWatt Hours Delivered (i)	COST/SETTLEMENT OF POWER: Demand Charges ($) (j)	COST/SETTLEMENT OF POWER: Energy Charges ($) (k)	COST/SETTLEMENT OF POWER: Other Charges ($) (l)	COST/SETTLEMENT OF POWER: Total (j+k+l) of Settlement ($) (m)	Line No.
250				3,449		3,449	1
690				36,605		36,605	2
					29,250	29,250	3
143,466				8,306,666		8,306,666	4
2,197				49,644		49,644	5
84,753				1,899,894		1,899,894	6
28,208				1,551,420		1,551,420	7
52,185				6,557,325		6,557,325	8
23,327				641,913		641,913	9
3,190				109,895		109,895	10
11,708				285,865		285,865	11
51,657				2,638,985		2,638,985	12
1,399				24,399		24,399	13
3,200				50,600		50,600	14
2,317,967	53,725	23,015		58,067,030	1,660,112	59,727,142	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

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Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Salt River Project Agricultural Improv	SF	MBR	NA	NA	NA
2	Salt River Project Agricultural Improv	OS	MBR	NA	NA	NA
3	Sempra Gas & Power Marketing LLC	SF	MBR	NA	NA	NA
4	Sempra Generation LLC	SF	MBR	NA	NA	NA
5	Shell Energy North America (U.S.), L.P	SF	MBR	NA	NA	NA
6	Southwest Environmental Center	LU	MBR	NA	NA	NA
7	SunE EPE 1 LLC	LU	MBR	NA	NA	NA
8	SunE EPE 2 LLC	LU	MBR	NA	NA	NA
9	Talen Energy Marketing LLC	SF	MBR	NA	NA	NA
10	Tenaska Power Services Co	SF	MBR	NA	NA	NA
11	Tenaska Power Services Co	OS	MBR	NA	NA	NA
12	Transalta Energy Marketing (U.S.) Inc.	SF	MBR	NA	NA	NA
13	Transcanada Energy Sales Ltd.	SF	MBR	NA	NA	NA
14	Tri-State G & T Association, Inc	SF	MBR	NA	NA	NA
	Total					

PURCHASED POWER(Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges ($) (j)	Energy Charges ($) (k)	Other Charges ($) (l)	Total (j+k+l) of Settlement ($) (m)	
239,330				6,966,450		6,966,450	1
					720	720	2
350				4,575		4,575	3
4,023				68,550		68,550	4
4,985				112,752		112,752	5
9				1,169		1,169	6
26,577				2,765,359		2,765,359	7
32,050				3,361,695		3,361,695	8
400				7,300		7,300	9
328,461				7,139,776		7,139,776	10
6				123		123	11
23,504				507,086		507,086	12
400				10,600		10,600	13
20,398				692,657		692,657	14
2,317,967	53,725	23,015		58,067,030	1,660,112	59,727,142	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)	Actual Demand (MW) Average Monthly CP Demand (f)
1	Tucson Electric Power Company	SF	MBR	NA	NA	NA
2	UNS Electric, Inc.	SF	MBR	NA	NA	NA
3	Westar Energy, Inc.	SF	MBR	NA	NA	NA
4	Westar Energy, Inc.	OS	MBR	NA	NA	NA
5	Western Area Power Administration	SF	MBR	NA	NA	NA
6	Inadvertent			NA	NA	NA
7	NM Net Mtr PP	OS	16	NA	NA	NA
8	NM Net Mtr RECs	OS	33	NA	NA	NA
9	TX Non Firm PP	OS	48	NA	NA	NA
10	Arizona Electric Power Cooperative	SF	SRSG	NA	NA	NA
11	Arizona Public Service Company	SF	SRSG	NA	NA	NA
12	BP - Energy	SF	SRSG	NA	NA	NA
13	Eagle Energy Partners	SF	SRSG	NA	NA	NA
14	Farmington	SF	SRSG	NA	NA	NA
	Total					

PURCHASED POWER(Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges ($) (j)	Energy Charges ($) (k)	Other Charges ($) (l)	Total (j+k+l) of Settlement ($) (m)	
63,742				1,931,191		1,931,191	1
835				21,635		21,635	2
86,426				4,546,923		4,546,923	3
35				350		350	4
16				560		560	5
	986	5,111					6
3,271					140,511	140,511	7
					1,749,473	1,749,473	8
1,587					30,323	30,323	9
128				3,998		3,998	10
128				2,947		2,947	11
9				270		270	12
6				450		450	13
36				1,823		1,823	14
2,317,967	53,725	23,015		58,067,030	1,660,112	59,727,142	

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)	Actual Demand (MW) Average Monthly CP Demand (f)
1	HGMA	SF	SRSG	NA	NA	NA
2	Los Alamos	SF	SRSG	NA	NA	NA
3	Panda Gila River	SF	SRSG	NA	NA	NA
4	Public Service Company of New Mexico	SF	SRSG	NA	NA	NA
5	Salt River Project	SF	SRSG	NA	NA	NA
6	Sundevil Power Holdings	SF	SRSG	NA	NA	NA
7	Tucson Electric Power Company	SF	SRSG	NA	NA	NA
8	TRI-STATE	SF	SRSG	NA	NA	NA
9	Arizona Public Service Company	EX	OATT	NA	NA	NA
10	Public Service Company of New Mexico	EX	OATT	NA	NA	NA
11	Salt River Project	EX	OATT	NA	NA	NA
12	Tri-State G&T Association, Inc.	EX	OATT	NA	NA	NA
13	Tucson Electric Power Company	EX	OATT	NA	NA	NA
14	Western Area Power Adminstration	EX	OATT	NA	NA	NA
	Total					

PURCHASED POWER(Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges ($) (j)	Energy Charges ($) (k)	Other Charges ($) (l)	Total (j+k+l) of Settlement ($) (m)	
67				3,639		3,639	1
10				400		400	2
-6				-450		-450	3
233				6,371		6,371	4
324				10,827		10,827	5
35				1,575		1,575	6
306				8,108		8,108	7
70				3,847		3,847	8
		1,419					9
	21,063						10
		16,485					11
	13,126						12
	18,291						13
	259						14
2,317,967	53,725	23,015		58,067,030	1,660,112	59,727,142	

Schedule Page: 326 Line No.: 1 Column: c

MBR = market-based rate
Seller sold power to the Company pursuant to the WSPP Agreement, an individually negotiated EEI Agreement, or an individually negotiated Purchased Power Agreement.

Schedule Page: 326 Line No.: 11 Column: b

Interconnection Agreement and Contract for Power Service between El Paso Electric Company and Four Peaks Energy, Inc. Contract is an evergreen contract.

Schedule Page: 326 Line No.: 11 Column: l

Payment of charges related to New Mexico Public Regulatory Commission (NMPRC) Final Order No. 09-00259-UT.

Schedule Page: 326 Line No.: 12 Column: g

The 796,426 MWhs relate to purchases from Freeport-McMoran Copper & Gold Energy Services LLC ("Freeport") related to El Paso Electric's Power Purchase and Sales Agreement with Freeport dated December 16, 2005.

Schedule Page: 326 Line No.: 14 Column: b

Renewable Purchase Power Agreement between Hatch Solar Energy Center 1, LLC and El Paso Electric Company effective August 31, 2010, and continues for twenty-five years following the date of commercial operation in 2011.

Schedule Page: 326 Line No.: 14 Column: l

Liquidated damages payment made by Hatch Solar Energy Center 1, LLC per Renewable Purchase Power Agreement between Hatch Solar Energy Center 1, LLC and El Paso Electric Company.

Schedule Page: 326.1 Line No.: 3 Column: b

Spinning reserve purchases.

Schedule Page: 326.1 Line No.: 3 Column: l

Spinning reserve purchases.

Schedule Page: 326.1 Line No.: 4 Column: b

Renewable Purchase Power Agreement between Macho Springs Solar, LLC and El Paso Electric Company effective October 25, 2012, and continues for twenty years following the date of commercial operation in 2014.

Schedule Page: 326.1 Line No.: 7 Column: b

Renewable Purchase Power Agreement between PSEG El Paso Solar Energy Center and El Paso Electric Company effective September 5, 2013, and continues for thirty years following the date of commercial operation in 2014.

Schedule Page: 326.1 Line No.: 8 Column: b

Renewable Purchase Power Agreement between NRG Solar Roadrunner LLC and El Paso Electric Company dated June 4, 2010, and continues for twenty years following the date of commercial operation in 2011.

Schedule Page: 326.1 Line No.: 14 Column: b

Non-firm energy purchases.

Schedule Page: 326.2 Line No.: 2 Column: b

Spinning reserve purchases.

Schedule Page: 326.2 Line No.: 2 Column: l

Spinning reserve purchases.

Schedule Page: 326.2 Line No.: 6 Column: b

Renewable Purchase Power Agreement between Southwest Environmental Center and El Paso Electric Company. Contract has a minimum twenty year term beginning in 2008.

Schedule Page: 326.2 Line No.: 7 Column: b

Renewable Purchase Power Agreement between SunEdison 1 and El Paso Electric Company dated November 8, 2010, and continues for twenty-five years following the date of commercial operation in 2012.

Schedule Page: 326.2 Line No.: 8 Column: b

Renewable Purchase Power Agreement between SunEdison 2 and El Paso Electric Company dated November 8, 2010, and continues for twenty-five years following the date of commercial operation in 2012.

Schedule Page: 326.2 Line No.: 11 Column: b
Non-firm energy purchases.

Schedule Page: 326.3 Line No.: 4 Column: b
Non-firm energy purchases.

Schedule Page: 326.3 Line No.: 7 Column: c
New Mexico Rate No. 16.

Schedule Page: 326.3 Line No.: 7 Column: l
Represents amount paid to various New Mexico customers for excess renewable energy generated by customers and bought by the Company.

Schedule Page: 326.3 Line No.: 8 Column: c
New Mexico Rate No. 33.

Schedule Page: 326.3 Line No.: 8 Column: l
Represents amount paid for renewable energy certificates related to renewable energy generated by various New Mexico customers.

Schedule Page: 326.3 Line No.: 9 Column: c
Texas Rate No. 48.

Schedule Page: 326.3 Line No.: 9 Column: l
Represents amount paid to various retail Texas customers for excess distributed renewable energy generated by customers and bought by the Company.

Schedule Page: 326.3 Line No.: 10 Column: c
SRSG = Southwest Reserve Sharing Group Participation Agreement.

Schedule Page: 326.3 Line No.: 13 Column: k
Prior Period Adjustment to reclassify the original payable amount from PGR to EDF, related to November 2015.

Schedule Page: 326.4 Line No.: 3 Column: k
Prior Period Adjustment to reclassify the original payable amount from PGR to EDF, related to November 2015.

Schedule Page: 326.4 Line No.: 9 Column: c
OATT = Open Access Transmission Tarriff.

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classifi-cation (d)
1	El Paso Electric Marketing	El Paso Electric Marketing	Arizona Public Service Company	NF
2	Rio Grande Electric Co-Op	El Paso Electric Marketing	El Paso Electric Marketing	FNO
3	Arizona Electric Power Cooperative	Salt River Project	Arizona Public Service Company	LFP
4	Arizona Electric Power Cooperative	Salt River Project	Arizona Public Service Company	NF
5	Arizona Electric Power Cooperative	Tucson Electric Power Company	Tucson Electric Power Company	NF
6	Arizona Electric Power Cooperative	Arizona Public Service Company	Salt River Project	NF
7	Arizona Electric Power Cooperative	Arizona Public Service Company	Salt River Project	SFP
8	Arizona Public Service Company	Salt River Project	Salt River Project	SFP
9	Cargill	Salt River Project	Arizona Public Service Company	NF
10	Cargill	Public Service Company of New Mex	Southwestern Public Service Compa	NF
11	Coral Power	Salt River Project	Salt River Project	NF
12	Coral Power	Salt River Project	Salt River Project	SFP
13	Coral Power	Salt River Project	Arizona Public Service Company	LFP
14	Coral Power	Arizona Public Service Company	Salt River Project	NF
15	Coral Power	Arizona Public Service Company	Salt River Project	SFP
16	Eagle Energy Partners	Salt River Project	Salt River Project	NF
17	Eagle Energy Partners	Salt River Project	Salt River Project	SFP
18	Eagle Energy Partners	Salt River Project	Salt River Project	SFP
19	Eagle Energy Partners	Salt River Project	Salt River Project	SFP
20	Exelon Generation LLC	Salt River Project	Arizona Public Service Company	NF
21	Exelon Generation LLC	Arizona Public Service Company	Salt River Project	SFP
22	Imperial Irrigation District	Salt River Project	Arizona Public Service Company	NF
23	Macquarie Cook Power	Salt River Project	Arizona Public Service Company	NF
24	Macquarie Cook Power	Arizona Public Service Company	Salt River Project	SFP
25	Morgan Stanley	Salt River Project	Arizona Public Service Company	NF
26	Open Access Technology International, Inc.	Southwestern Public Service Compa	Tucson Electric Power Company	NF
27	Open Access Technology International, Inc.	Tucson Electric Power Company	Southwestern Public Service Compa	NF
28	Open Access Technology International, Inc.	Tucson Electric Power Company	Public Service Company of New Mex	NF
29	Open Access Technology International, Inc.	Public Service Company of New Mex	Southwestern Public Service Compa	NF
30	Open Access Technology International, Inc.	Arizona Public Service Company	Salt River Project	NF
31	PacifiCorp Power Marketing	Arizona Public Service Company	Salt River Project	SFP
32	Powerex	Salt River Project	Arizona Public Service Company	NF
33	Powerex	Arizona Public Service Company	Salt River Project	NF
34	Powerex	Arizona Public Service Company	Salt River Project	SFP
	TOTAL			

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Subsatation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY MegaWatt Hours Received (i)	TRANSFER OF ENERGY MegaWatt Hours Delivered (j)	Line No.
OATT	Palo Verde	Westwing				1
OATT	EPE System	Coyote/Farmer	8	62,087	62,087	2
OATT	Palo Verde	Westwing	125	137,591	137,591	3
OATT	Palo Verde	Westwing		316	316	4
OATT	Springerville	Greenlee		52	52	5
OATT	Westwing	Palo Verde		242	242	6
OATT	Westwing	Palo Verde		11,001	11,001	7
OATT	Jojoba	Palo Verde		2	2	8
OATT	Palo Verde	Westwing		28,920	28,920	9
OATT	Westmesa	Eddy		227	227	10
OATT	Jojoba	Palo Verde				11
OATT	Palo Verde	Jojoba				12
OATT	Palo Verde	Westwing	125	166,519	166,519	13
OATT	Westwing	Palo Verde		224	224	14
OATT	Westwing	Palo Verde				15
OATT	Jojoba	Palo Verde		83	83	16
OATT	Jojoba	Palo Verde		107,097	107,097	17
OATT	Jojoba	Palo Verde	470	1,481,253	1,481,253	18
OATT	Palo Verde	Jojoba		675	675	19
OATT	Palo Verde	Westwing		71,847	71,847	20
OATT	Westwing	Palo Verde		1,127	1,127	21
OATT	Palo Verde	Westwing		3,810	3,810	22
OATT	Palo Verde	Westwing		2,859	2,859	23
OATT	Westwing	Palo Verde		1,396	1,396	24
OATT	Palo Verde	Westwing		13,649	13,649	25
OATT	Eddy	Springerville		32	32	26
OATT	Greenlee	Eddy				27
OATT	Springerville	Hidalgo				28
OATT	Westmesa	Eddy				29
OATT	Westwing	Palo Verde		390	390	30
OATT	Westwing	Palo Verde		19,097	19,097	31
OATT	Palo Verde	Westwing		1,167	1,167	32
OATT	Westwing	Palo Verde		69	69	33
OATT	Westwing	Palo Verde		1,850	1,850	34
			1,472	**5,856,886**	**5,856,886**	

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges ($) (k)	Energy Charges ($) (l)	(Other Charges) ($) (m)	Total Revenues ($) (k+l+m) (n)	Line No.
				1
166,297			166,297	2
606,595			606,595	3
	285		285	4
	166		166	5
	276		276	6
	9,559		9,559	7
	3		3	8
	27,762		27,762	9
	1,608		1,608	10
	32		32	11
	260		260	12
612,730			612,730	13
	203		203	14
	47		47	15
	1,430		1,430	16
	247,571		247,571	17
2,650,800			2,650,800	18
	1,724		1,724	19
	62,636		62,636	20
	1,083		1,083	21
	3,323		3,323	22
	2,834		2,834	23
	1,339		1,339	24
	10,784		10,784	25
	275		275	26
	6		6	27
	344		344	28
	2		2	29
	194		194	30
	19,888		19,888	31
	795		795	32
	68		68	33
	1,836		1,836	34
17,775,603	**4,190,583**	**0**	**21,966,186**	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classifi-cation (d)
1	PPM Energy, Inc	Arizona Public Service Company	Salt River Project	NF
2	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
3	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
4	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	NF
5	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
6	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
7	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	LFP
8	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	NF
9	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	SFP
10	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	LFP
11	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
12	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
13	Public Service Company of New Mexico	Tucson Electric Power Company	Public Service Company of New Mex	NF
14	Public Service Company of New Mexico	Tucson Electric Power Company	Public Service Company of New Mex	NF
15	Public Service Company of New Mexico	Tucson Electric Power Company	Public Service Company of New Mex	SFP
16	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
17	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
18	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	NF
19	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	LFP
20	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	NF
21	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	SFP
22	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	SFP
23	Public Service Company of New Mexico	Public Service Company of New Mex	Tucson Electric Power Company	SFP
24	Public Service Company of New Mexico	Tucson Electric Power Company	Public Service Company of New Mex	NF
25	Public Service Company of New Mexico	Tucson Electric Power Company	Public Service Company of New Mex	NF
26	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	LFP
27	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
28	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	SFP
29	Public Service Company of New Mexico	Public Service Company of New Mex	Public Service Company of New Mex	NF
30	Tenaska Power Services Company	Southwestern Public Service Compa	Tucson Electric Power Company	SFP
31	Tenaska Power Services Company	Salt River Project	Arizona Public Service Company	NF
32	Tenaska Power Services Company	Salt River Project	Arizona Public Service Company	SFP
33	Tenaska Power Services Company	Arizona Public Service Company	Salt River Project	NF
34	Transalta	Salt River Project	Arizona Public Service Company	NF
	TOTAL			

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Subsatation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY MegaWatt Hours Received (i)	TRANSFER OF ENERGY MegaWatt Hours Delivered (j)	Line No.
OATT	Westwing	Palo Verde		576	576	1
OATT	Afton	Amrad		13,270	13,270	2
OATT	Afton	Amrad		24,161	24,161	3
OATT	Afton	Greenlee		2,607	2,607	4
OATT	Afton	Luna		8,809	8,809	5
OATT	Afton	Luna		62,434	62,434	6
OATT	Afton	Springerville	94	154,826	154,826	7
OATT	Afton	Springerville		29	29	8
OATT	Afton	Springerville		5,798	5,798	9
OATT	Afton	Westmesa	141	288,290	288,290	10
OATT	Afton	Westmesa		202	202	11
OATT	Afton	Westmesa		37,594	37,594	12
OATT	Greenlee	Hidalgo		288	288	13
OATT	Greenlee	Luna				14
OATT	Greenlee	Luna		1,995	1,995	15
OATT	Las Cruces	Amrad		7	7	16
OATT	Las Cruces	Amrad		25,539	25,539	17
OATT	Luna	Greenlee		2,256	2,256	18
OATT	Luna	Springerville	60	126,913	126,913	19
OATT	Luna	Springerville		266	266	20
OATT	Luna	Springerville		10,689	10,689	21
OATT	Luna	Springerville	60	49,212	49,212	22
OATT	Luna	Springerville	120	10,170	10,170	23
OATT	Springerville	Hidalgo		3,869	3,869	24
OATT	Springerville	Luna		366	366	25
OATT	Westmesa	Amrad	25	140,556	140,556	26
OATT	Westmesa	Amrad		10,313	10,313	27
OATT	Westmesa	Amrad		4,143	4,143	28
OATT	Westmesa	Las Cruces		2,182	2,182	29
OATT	Eddy	Springerville		286	286	30
OATT	Palo Verde	Westwing		14,702	14,702	31
OATT	Palo Verde	Westwing		10	10	32
OATT	Westwing	Palo Verde		5	5	33
OATT	Palo Verde	Westwing		915	915	34
			1,472	**5,856,886**	**5,856,886**	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges ($) (k)	Energy Charges ($) (l)	(Other Charges) ($) (m)	Total Revenues ($) (k+l+m) (n)	Line No.
	437		437	1
	59,059		59,059	2
	123,180		123,180	3
	11,174		11,174	4
	51,963		51,963	5
	318,222		318,222	6
2,726,229			2,726,229	7
	160		160	8
	25,536		25,536	9
2,818,927			2,818,927	10
	1,616		1,616	11
	181,171		181,171	12
	1,867		1,867	13
	53		53	14
	42,199		42,199	15
	333		333	16
	158,246		158,246	17
	11,502		11,502	18
1,641,017			1,641,017	19
	8,348		8,348	20
	222,316		222,316	21
965,725			965,725	22
872,640			872,640	23
	25,383		25,383	24
	4,545		4,545	25
616,277			616,277	26
	79,312		79,312	27
	8,592		8,592	28
	11,462		11,462	29
	1,848		1,848	30
	13,183		13,183	31
	9		9	32
	3		3	33
	809		809	34
17,775,603	**4,190,583**	**0**	**21,966,186**	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classifi-cation (d)
1	Transalta	Arizona Public Service Company	Salt River Project	NF
2	Tristate Generating and Transmission Coop	Tucson Electric Power Company	Public Service Company of New Mex	LFP
3	Tucson Electric Power	Tucson Electric Power Company	Public Service Company of New Mex	NF
4	Tucson Electric Power	Tucson Electric Power Company	Public Service Company of New Mex	NF
5	Tucson Electric Power	Salt River Project	Salt River Project	LFP
6	Tucson Electric Power	Salt River Project	Salt River Project	NF
7	Tucson Electric Power	Salt River Project	Salt River Project	NF
8	Tucson Electric Power	Salt River Project	Salt River Project	SFP
9	Tucson Electric Power	Salt River Project	Arizona Public Service Company	NF
10	Tucson Electric Power	Salt River Project	Arizona Public Service Company	SFP
11	Tucson Electric Power	Salt River Project	Salt River Project	SFP
12	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	LFP
13	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	NF
14	Tucson Electric Power	Public Service Company of New Mex	Public Service Company of New Mex	NF
15	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	LFP
16	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	NF
17	Tucson Electric Power	Public Service Company of New Mex	Tucson Electric Power Company	SFP
18	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	NF
19	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	SFP
20	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	SFP
21	Tucson Electric Power	Salt River Project	Salt River Project	NF
22	Tucson Electric Power	Salt River Project	Salt River Project	NF
23	Tucson Electric Power	Salt River Project	Arizona Public Service Company	NF
24	Tucson Electric Power	Salt River Project	Arizona Public Service Company	SFP
25	Tucson Electric Power	Tucson Electric Power Company	Tucson Electric Power Company	NF
26	Tucson Electric Power	Tucson Electric Power Company	Public Service Company of New Mex	NF
27	Tucson Electric Power	Tucson Electric Power Company	Public Service Company of New Mex	NF
28	Tucson Electric Power	Arizona Public Service Company	Salt River Project	NF
29	Tucson Electric Power	Arizona Public Service Company	Salt River Project	SFP
30	UniSource Energy Services	Salt River Project	Salt River Project	NF
31	UniSource Energy Services	Salt River Project	Arizona Public Service Company	NF
32	UniSource Energy Services	Salt River Project	Arizona Public Service Company	NF
33	UniSource Energy Services	Tucson Electric Power Company	Tucson Electric Power Company	NF
34	Westar Energy, Inc.	Southwestern Public Service Compa	Southwestern Public Service Compa	NF
	TOTAL			

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Subsatation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY MegaWatt Hours Received (i)	TRANSFER OF ENERGY MegaWatt Hours Delivered (j)	Line No.
OATT	Westwing	Palo Verde		36	36	1
80	Springerville	Las Cruces/Orogrande	50	364,525	364,525	2
OATT	Greenlee	Hidalgo		58	58	3
OATT	Greenlee	Luna		31	31	4
OATT	Jojoba	Kyrene	142	618,409	618,409	5
OATT	Jojoba	Kyrene		725	725	6
OATT	Jojoba	Palo Verde		15,472	15,472	7
OATT	Jojoba	Palo Verde		4,088	4,088	8
OATT	Jojoba	Westwing		32,468	32,468	9
OATT	Jojoba	Westwing		23,179	23,179	10
OATT	Kyrene	Palo Verde		2,978	2,978	11
OATT	Luna	Greenlee	30	114,891	114,891	12
OATT	Luna	Greenlee		10,606	10,606	13
OATT	Luna	Hidalgo		70	70	14
OATT	Luna	Springerville	10			15
OATT	Luna	Springerville		4,414	4,414	16
OATT	Luna	Springerville		949	949	17
OATT	Macho Springs	Springerville		17,669	17,669	18
OATT	Macho Springs	Springerville		20,649	20,649	19
OATT	Macho Springs	Springerville	10	33,368	33,368	20
OATT	Palo Verde	Jojoba		27	27	21
OATT	Palo Verde	Kyrene		30,907	30,907	22
OATT	Palo Verde	Westwing		670,767	670,767	23
OATT	Palo Verde	Westwing		50	50	24
OATT	Springerville	Greenlee		5,955	5,955	25
OATT	Springerville	Hidalgo		2,841	2,841	26
OATT	Springerville	Luna		7,806	7,806	27
OATT	Westwing	Palo Verde		2,297	2,297	28
OATT	Westwing	Palo Verde		460	460	29
OATT	Jojoba	Palo Verde		537	537	30
OATT	Jojoba	Westwing		1,182	1,182	31
OATT	Palo Verde	Westwing		742,992	742,992	32
OATT	Springerville	Greenlee		16	16	33
OATT	Eddy	Eddy				34
			1,472	**5,856,886**	**5,856,886**	

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges ($) (k)	Energy Charges ($) (l)	(Other Charges) ($) (m)	Total Revenues ($) (k+l+m) (n)	Line No.
	48		48	1
1,386,000			1,386,000	2
	253		253	3
	260		260	4
1,490,539			1,490,539	5
	1,396		1,396	6
	38,559		38,559	7
	19,514		19,514	8
	123,816		123,816	9
	107,087		107,087	10
	7,472		7,472	11
872,732			872,732	12
	177,628		177,628	13
	926		926	14
782			782	15
	43,082		43,082	16
	9,542		9,542	17
	249,465		249,465	18
	391,354		391,354	19
290,129			290,129	20
	53		53	21
	45,452		45,452	22
	517,183		517,183	23
	45		45	24
	28,884		28,884	25
	17,082		17,082	26
	40,379		40,379	27
	1,931		1,931	28
	417		417	29
	1,955		1,955	30
	4,982		4,982	31
	597,393		597,393	32
	99		99	33
	29		29	34
17,775,603	**4,190,583**	**0**	**21,966,186**	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classifi-cation (d)
1	Westar Energy, Inc.	Southwestern Public Service Compa	Tucson Electric Power Company	NF
2	Westar Energy, Inc.	Southwestern Public Service Compa	Tucson Electric Power Company	NF
3	Westar Energy, Inc.	Southwestern Public Service Compa	Public Service Company of New Mex	NF
4	Westar Energy, Inc.	Tucson Electric Power Company	Southwestern Public Service Compa	NF
5	Westar Energy, Inc.	Public Service Company of New Mex	Southwestern Public Service Compa	NF
6	Western Area Power Admin	Public Service Company of New Mex	Public Service Company of New Mex	LFP
7	Western Area Power Admin - DSW	Salt River Project	Arizona Public Service Company	NF
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
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34				
	TOTAL			

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions reffered to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Subsatation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY MegaWatt Hours Received (i)	TRANSFER OF ENERGY MegaWatt Hours Delivered (j)	Line No.
OATT	Eddy	Greenlee		31	31	1
OATT	Eddy	Springerville		5	5	2
OATT	Eddy	Westmesa		365	365	3
OATT	Springerville	Eddy		47	47	4
OATT	Westmesa	Eddy		1	1	5
OATT	Westmesa	Holloman	2	7,811	7,811	6
OATT	Palo Verde	Westwing		1,344	1,344	7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
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						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
			1,472	**5,856,886**	**5,856,886**	

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions reffered to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges ($) (k)	Energy Charges ($) (l)	(Other Charges) ($) (m)	Total Revenues ($) (k+l+m) (n)	Line No.
	157		157	1
	34		34	2
	3,631		3,631	3
	303		303	4
	7		7	5
58,184			58,184	6
	1,304		1,304	7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
17,775,603	**4,190,583**	**0**	**21,966,186**	

Schedule Page: 328   Line No.: 1   Column: a

El Paso Electric Marketing refers to El Paso Electric Company's Resource Management department.

Schedule Page: 328   Line No.: 1   Column: e

OATT = Open Access Transmission Tariff.

Schedule Page: 328   Line No.: 2   Column: d

Network Integration Transmission Service. Evergreen contract expires March 31st with a two year notice.

Schedule Page: 328   Line No.: 3   Column: d

Firm transmission contracts of 17, 23, 35 and 50 MW, expiration January 1, 2021. Service was partially redirected to hourly services.

Schedule Page: 328   Line No.: 13   Column: d

Firm transmission contracts of 25 and 100 MW, expiration January 1, 2021. Service was partially redirected to hourly services.

Schedule Page: 328.1   Line No.: 7   Column: d

Firm transmission contract, expiration August 1, 2019. Service was partially redirected to daily and hourly services.

Schedule Page: 328.1   Line No.: 10   Column: d

Firm transmission contract of 111 and 30 MW, expiration January 1, 2019. Includes 111 MW generation dependent firm transmission service per executed service agreement. Service was partially redirected to monthly, daily and hourly services.

Schedule Page: 328.1   Line No.: 19   Column: d

Firm transmission contract, expiration January 1, 2020. Service was partially redirected to daily and hourly services.

Schedule Page: 328.1   Line No.: 26   Column: d

Firm transmission contract, expiration July 1, 2018. Service was partially redirected to daily and hourly services.

Schedule Page: 328.2   Line No.: 2   Column: d

Firm transmission contract, expiration January 1, 2026.

Schedule Page: 328.2   Line No.: 5   Column: d

Transmission contract, expiration January 1, 2020. Service was partially redirected to daily and hourly services.

Schedule Page: 328.2   Line No.: 12   Column: d

Firm transmission contract, expiration November 1, 2029.

Schedule Page: 328.2   Line No.: 15   Column: d

Firm transmission contract, expiration November 1, 2029. Service was primarily redirected to monthly services.

Schedule Page: 328.3   Line No.: 6   Column: d

Firm transmission contract, expiration October 1, 2024.

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to- Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY Magawatt-hours Received (c)	TRANSFER OF ENERGY Magawatt-hours Delivered (d)	EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS Demand Charges ($) (e)	Energy Charges ($) (f)	Other Charges ($) (g)	Total Cost of Transmission ($) (h)
1	Ariz Elect Power Coop	NF	28	28		190		190
2	Arizona Public Service	OS	171	171			3,422	3,422
3	Arizona Public Service	SFP	50	50		393		393
4	Arizona Public Service	AD	15	15			278	278
5	Open Access Technology	NF	1,066	1,066		9,186		9,186
6	Public Serv. Co. of NM	LFP	719,033	719,033	3,554,745			3,554,745
7	Public Serv. Co. of NM	LFP	64,801	64,801	631,215			631,215
8	Public Serv. Co. of NM	SFP	47,700	47,700		8,751		8,751
9	Public Serv. Co. of NM	NF	5,171	5,171		39,826		39,826
10	Public Serv. Co. of NM	AD				306,952		306,952
11	Public Serv. Co. of NM	AD				-78,695		-78,695
12	Salt River Project	OLF	218,760	218,760	1,774,875			1,774,875
13	Salt River Project	NF	150	150		765		765
14	Salt River Project	SFP	150	150		548		548
15	Tristate G&T Assn, Inc	SFP	200	200		2,851		2,851
16	Tucson Electric Power	OLF	397,320	397,320				
	TOTAL		1,457,711	1,457,711	5,960,835	310,179	3,700	6,274,714

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to- Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY Magawatt-hours Received (c)	Magawatt-hours Delivered (d)	EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS Demand Charges ($) (e)	Energy Charges ($) (f)	Other Charges ($) (g)	Total Cost of Transmission ($) (h)
1	Tucson Electric Power	SFP	1,520	1,520		9,458		9,458
2	Tucson Electric Power	NF	1,576	1,576		9,954		9,954
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL		1,457,711	1,457,711	5,960,835	310,179	3,700	6,274,714

Schedule Page: 332 Line No.: 1 Column: c
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 1 Column: d
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 1 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.
Schedule Page: 332 Line No.: 2 Column: b
Four Corners switchyard transformer/reactor losses.
Schedule Page: 332 Line No.: 2 Column: c
Four Corners switchyard transformer/reactor losses.
Schedule Page: 332 Line No.: 2 Column: d
Four Corners switchyard transformer/reactor losses.
Schedule Page: 332 Line No.: 2 Column: g
Four Corners switchyard transformer/reactor losses.
Schedule Page: 332 Line No.: 3 Column: c
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 3 Column: d
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 3 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.
Schedule Page: 332 Line No.: 4 Column: b
Prior period adjustment for 2015 Four Corners switchyard transformer/reactor losses.
Schedule Page: 332 Line No.: 4 Column: g
Prior period adjustment for 2015 Four Corners switchyard transformer/reactor losses.
Schedule Page: 332 Line No.: 5 Column: c
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 5 Column: d
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 5 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.
Schedule Page: 332 Line No.: 6 Column: b
Contract terminates July 1, 2017.
Schedule Page: 332 Line No.: 6 Column: c
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 6 Column: d
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 7 Column: b
Contract terminates June 1, 2019.
Schedule Page: 332 Line No.: 7 Column: c
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 7 Column: d
Amounts shown based on actual energy flows.
Schedule Page: 332 Line No.: 8 Column: c
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 8 Column: d
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 8 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.
Schedule Page: 332 Line No.: 9 Column: c
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 9 Column: d
Amounts shown based on transmission reservations.
Schedule Page: 332 Line No.: 9 Column: f

Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332 Line No.: 10 Column: b
Prior period adjustment for PNM rate case settlement related to August 2013 - May 2015.

Schedule Page: 332 Line No.: 10 Column: f
Prior period adjustment for PNM rate case settlement related to August 2013 - May 2015.

Schedule Page: 332 Line No.: 11 Column: b
Prior period adjustment for PNM revenue requirement recalculation related to June 2015 - December 2015.

Schedule Page: 332 Line No.: 11 Column: f
Prior period adjustment for PNM revenue requirement recalculation related to June 2015 - December 2015.

Schedule Page: 332 Line No.: 12 Column: b
Contract expires concurrent with the ANPP Participation Agreement.

Schedule Page: 332 Line No.: 12 Column: c
Amounts shown based on actual energy flows.

Schedule Page: 332 Line No.: 12 Column: d
Amounts shown based on actual energy flows.

Schedule Page: 332 Line No.: 13 Column: c
Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 13 Column: d
Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 13 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332 Line No.: 14 Column: c
Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 14 Column: d
Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 14 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332 Line No.: 15 Column: c
Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 15 Column: d
Amounts shown based on transmission reservations.

Schedule Page: 332 Line No.: 15 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332 Line No.: 16 Column: b
Service Schedule C terminates on the date of retirement of the last generating unit at Palo Verde Nuclear Generating Station, subject to twelve-month notice of termination by the Company.

Schedule Page: 332 Line No.: 16 Column: c
Amounts shown based on actual energy flows.

Schedule Page: 332 Line No.: 16 Column: d
Amounts shown based on actual energy flows.

Schedule Page: 332 Line No.: 16 Column: e
Under a pre-order 888/889 agreement, the Company was assigned rights as part of the Power Exchange and Transmission Agreement.

Schedule Page: 332.1 Line No.: 1 Column: c
Amounts shown based on transmission reservations.

Schedule Page: 332.1 Line No.: 1 Column: d
Amounts shown based on transmission reservations.

Schedule Page: 332.1 Line No.: 1 Column: f
Amounts shown include short term transmission reservations, related ancillary and losses.

Schedule Page: 332.1 Line No.: 2 Column: c
Amounts shown based on transmission reservations.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) X An Original (2) _ A Resubmission	/ /	2016/Q4

FOOTNOTE DATA

Schedule Page: 332.1 Line No.: 2 Column: d

Amounts shown based on transmission reservations.

Schedule Page: 332.1 Line No.: 2 Column: f

Amounts shown include short term transmission reservations, related ancillary and losses.

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	450,725
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	933,685
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < $5,000	14,882
6	Palo Verde General Expense	10,648,311
7	Four Corners General Expense	965,332
8	Director's Fees and Expenses	2,515,524
9	Economic Development	335,000
10	Promotional Materials	72,371
11	Employee Meetings	12,859
12	Relocation Expenses	10,505
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
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43		
44		
45		
46	TOTAL	15,959,194

Schedule Page: 335 Line No.: 9 Column: b

Primarily consists of contributions to promote economic development to (a) Borderplex Bi National Economic Alliance of $250,000; (b) Mesilla Valley Economic Development Alliance of $40,000; (c) Texas Economic Development Corporation of $25,000; (d) Womens Economic Self Sufficiency of $10,000; (e) New Mexico First of $5,000; and (f) Downtown Las Cruces Partnership of $5,000.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of aquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			5,302,468		5,302,468
2	Steam Production Plant	12,831,023	63,747			12,894,770
3	Nuclear Production Plant	24,173,763	-1,228,044			22,945,719
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	9,483,043	4,928			9,487,971
7	Transmission Plant	5,930,317				5,930,317
8	Distribution Plant	19,409,858				19,409,858
9	Regional Transmission and Market Operation					
10	General Plant	7,210,899				7,210,899
11	Common Plant-Electric					
12	TOTAL	79,038,903	-1,159,369	5,302,468		83,182,002

B. Basis for Amortization Charges

Asset	Term	Basis	Amort Exp	Method
Computer Software	3 - 15 years	$84,342,041.56	$5,302,468	Straight Line

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Production						
13	Steam Production						
14							
15	Rio Grande						
16	Unit 6						
17	311	1,257	57.00			100-S2.5	
18	312	2,973	57.00			80-R4	
19	314	3,560	57.00			75-S3	
20	315	784	57.00			65-R4	
21	316	1,490	57.00			65-R3	
22							
23	Unit 7						
24	311	1,227	62.00		1.00	100-S2.5	6.00
25	312	4,564	62.00		1.62	80-R4	6.00
26	314	4,175	62.00		1.07	75-S3	5.90
27	315	655	62.00		2.51	65-R4	5.90
28	316	1,852	62.00		0.20	65-R3	6.00
29							
30	Unit 8						
31	311	2,250	54.00		2.51	100-S2.5	13.00
32	312	13,965	54.00		2.51	80-R4	12.90
33	314	10,420	54.00		1.49	75-S3	12.80
34	315	4,197	54.00		2.87	65-R4	12.80
35	316	5,848	54.00		2.65	65-R3	12.80
36							
37	Common						
38	311	1,749	62.00		6.37	100-S2.5	13.00
39	312	881	62.00		7.64	80-R4	13.00
40	316	1,276	62.00		4.45	65-R3	12.90
41							
42							
43	Newman Production						
44	Unit 1						
45	311	1,270	63.00		0.10	100-S2.5	8.00
46	312	7,845	63.00		2.20	80-R4	8.00
47	313	328	63.00		1.19	50-R3	7.60
48	314	12,777	63.00		3.76	75-S3	8.00
49	315	1,148	63.00		0.01	65-R4	7.90
50	316	2,178	63.00		1.15	65-R3	8.00

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Steam Production						
13	Newman Production						
14	Unit 2						
15	311	747	61.00		0.11	100-S2.5	9.00
16	312	6,528	61.00		1.78	80-R4	9.00
17	314	10,448	61.00		3.22	75-S3	9.00
18	315	1,053	61.00			65-R4	
19	316	2,829	61.00			65-R3	
20							
21	Unit 3						
22	311	1,073	58.00		4.24	100-S2.5	10.00
23	312	6,258	58.00		1.86	80-R4	9.90
24	314	7,276	58.00		1.63	75-S3	10.00
25	315	800	58.00		0.03	65-R4	9.90
26	316	5,645	58.00		1.50	65-R3	9.90
27							
28	Unit 4						
29	311	16,888	48.00		0.26	100-S2.5	8.90
30	312	3,134	48.00		9.72	80-R4	9.00
31	313	19,533	48.00		4.28	50-R3	8.70
32	314	33,798	48.00		2.83	75-S3	9.00
33	315	6,333	48.00		0.55	65-R4	8.70
34	316	11,495	48.00		2.25	65-R3	8.90
35							
36	Unit 5						
37	311	25,488	52.00		1.89	100-S2.5	46.60
38	312	106,724	52.00		2.22	80-R4	46.50
39	313	48,378	52.00		2.20	50-R3	40.50
40	314	45,882	52.00		1.98	75-S3	46.30
41	315	19,836	52.00		1.92	65-R4	45.60
42	316	1,771	52.00		1.49	65-R3	44.20
43							
44	Zero Liquid Discharge						
45	316	15,368	50.00		2.02	65-R3	44.50
46							
47	Common						
48	311	1,532	63.00		1.91	100-S2.5	46.70
49	312	3,147	63.00		2.22	80-R4	46.50
50	314	30	63.00		1.92	75-S3	46.10

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Steam Production						
13	Newman Production						
14	Common						
15	316	2,764	63.00		1.05	65-R3	44.50
16							
17	Sub-Total Steam Prod	493,427					
18							
19	Other Production						
20	Rio Grande Production						
21	Unit 9						
22	341	22,093	45.00		2.29	60-S2.5	42.20
23	342	3,426	45.00		2.19	45-R4	40.10
24	343	56,495	45.00		2.26	40-S1	34.50
25	344	8,421	45.00		2.36	40-R3	37.20
26	345	5,159	45.00		2.19	45-S1.5	37.30
27	346	410	45.00		2.20	45-S3	39.30
28							
29	Solar Production						
30	341	92	25.00		4.63	50-R3	19.70
31	344	1,187	25.00		4.66	30-S2.5	19.00
32	345	167	25.00		4.54	40-R2.5	19.20
33							
34	Copper						
35	341	785	50.00		0.20	60-S2.5	16.00
36	342	481	50.00			45-R4	
37	344	9,696	50.00		3.06	40-R3	15.10
38	345	988	50.00		3.43	45-S1.5	15.10
39	346	4,171	50.00			45-S3	
40							
41	Montana Power Station						
42	Unit 1						
43	341	17,900	45.00		2.23	60-S2.5	45.00
44	342	59	45.00		2.26	45-R4	45.00
45	343	53,569	45.00		2.33	40-S1	45.00
46	344	4,453	45.00		2.30	40-R3	45.00
47	345	2,304	45.00		2.29	45-S1.5	45.00
48	346	288	45.00		2.27	45-S3	45.00
49							
50							

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Other Production						
13	Montana Power Station						
14	Unit 2						
15	341	17,836	45.00		2.23	60-S2.5	45.00
16	342	74	45.00		2.26	45-R4	45.00
17	343	50,230	45.00		2.33	40-S1	45.00
18	344	4,519	45.00		2.30	40-R3	45.00
19	345	2,320	45.00		2.29	45-S1.5	45.00
20	346	296	45.00		2.27	45-S3	45.00
21							
22	Unit 3						
23	341	14,136	45.00		2.23	60-S2.5	45.00
24	343	50,480	45.00		2.33	40-S1	45.00
25	344	4,535	45.00		2.30	40-R3	45.00
26	345	2,307	45.00		2.29	45-S1.5	45.00
27	346	267	45.00		2.27	45-S3	45.00
28							
29	Unit 4						
30	341	14,292	45.00		2.22	60-S2.5	45.00
31	343	49,482	45.00		2.22	40-S1	45.00
32	344	4,526	45.00		2.22	40-R3	45.00
33	345	1,853	45.00		2.22	45-S1.5	45.00
34	346	265	45.00		2.22	45-S3	45.00
35							
36	Common						
37	341	12,869	45.00		2.23	60-S2.5	45.00
38	342	15,340	45.00		2.26	45-R4	45.00
39	343	39,630	45.00		2.33	40-S1	45.00
40	344	3,123	45.00		2.30	40-R3	45.00
41	345	10,039	45.00		2.29	45-S1.5	45.00
42	346	1,266	45.00		2.27	45-S3	45.00
43							
44	Sub-Total Other Prod	491,829					
45							
46	Transmission						
47	350	12,496	75.00		0.99	75-R3	57.10
48	352	10,672	65.00	-5.00	1.33	65-R4	49.00
49	353	175,359	56.00		1.00	56-S2	37.30
50	354	26,869	70.00	-10.00	1.29	70-R4	46.10

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Transmission						
13	355	129,181	58.00	-20.00	1.76	58-S3	35.30
14	356	95,480	60.00	-10.00	1.36	60-R5	38.30
15	359	2,215	65.00		1.05	65-R3	48.90
16							
17	Sub-Total Transmission	452,272					
18							
19	Distribution						
20	360	2,264	70.00		1.29	70-R4	61.00
21	361	10,400	65.00	-5.00	1.55	65-R3	53.20
22	362	201,545	60.00		1.34	60-R2	51.30
23	364	162,066	52.00	-5.00	1.81	52-R2.5	33.00
24	365	97,583	48.00	-5.00	1.88	48-R2.5	36.70
25	366	123,709	64.00	5.00	1.41	64-R3	44.30
26	367	137,572	47.00	-5.00	2.13	47-R2	30.30
27	368	247,498	55.00	-5.00	1.83	55-R3	43.80
28	369	47,355	60.00	-15.00	1.43	60-S3	42.30
29	370	52,599	31.00	-10.00	2.75	31-R2	23.70
30	371	13,090	36.00	-15.00	2.98	36-R2	25.90
31	373	10,940	50.00	-15.00	2.34	50-R3	28.40
32							
33	Sub-Total Distribution	1,106,621					
34							
35	General Plant						
36	390-Stanton	34,501	60.00	40.00	1.35	80-R2.5	41.60
37	390-SysOps	11,861	60.00	40.00	1.43	80-R2.5	25.80
38	390-EDOC	40,938	60.00		1.22	80-R2.5	32.40
39	390-Other	17,208	40.00		1.57	40-S0.5	32.40
40	391	8,577	20.00		1.71	20-SQ	12.00
41	391.1	17,137	5.00		20.00	STRAIGHT-LINE	
42	392	40,664	12.64		7.91	STRAIGHT-LINE	
43	393	53	25.00		3.96	25-SQ	8.00
44	394	3,727	25.00		3.83	25-SQ	15.40
45	395	3,794	15.00		6.47	15-SQ	10.00
46	396	3,947	22.00	5.00	4.58	22-R2.5	14.60
47	397	24,422	15.00		6.48	15-SQ	9.20
48	398	3,668	15.00		6.65	15-SQ	11.10
49							
50	Sub-Total Gen Plant	210,497					

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Federal Energy Regulatory Commission				
2	FERC General and Other		17,248	17,248	
3	FERC Annual Fee		491,464	491,464	
4					
5	Public Utility Commission of Texas				
6	Texas 2015 Rate Case Costs		1,014,829	1,014,829	1,881,821
7	Texas 2016 Fuel Reconciliation		187,702	187,702	
8	Four Corners Project		249,030	249,030	
9	Texas Energy Efficiency		115,996	115,996	
10	Texas General and Other		109,592	109,592	
11					
12	New Mexico Public Regulation Commission				
13	2010 FPPCAC Audit				434,259
14	New Mexico Procurement and IRP Plans		47,692	47,692	
15	New Mexico Energy Efficiency Filings		6,705	6,705	
16	New Mexico 2015 Rate Case Costs		838,794	838,794	1,288,300
17	New Mexico General and Other		38,455	38,455	
18	New Mexico Four Corners Abandonment Case		195,622	195,622	
19	New Mexico Show Cause Order		162,043	162,043	
20					
21	Nuclear Regulatory Commission				
22	PVNGS Unit 1 Fees		964,111	964,111	
23	PVNGS Unit 2 Fees		927,030	927,030	
24	PVNGS Unit 3 Fees		945,129	945,129	
25					
26	Other		13,010	13,010	
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL		6,324,452	6,324,452	3,604,380

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than $25,000) may be grouped.

EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR			
CURRENTLY CHARGED TO							
Department (f)	Account No. (g)	Amount (h)	Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.
							1
	928000	17,248					2
	928000	491,464					3
							4
							5
	928000	1,014,829	1,169,521	182.3	-381,417	2,669,925	6
	928000	187,702					7
	928000	249,030					8
	928000	115,996					9
	928000	109,592					10
							11
							12
			-434,259	182.3			13
	928000	47,692					14
	928000	6,705					15
	928000	838,794		182.3	-214,716	1,073,584	16
	928000	38,455					17
	928000	195,622					18
	928000	162,043					19
							20
							21
	928000	964,111					22
	928000	927,030					23
	928000	945,129					24
							25
	928000	13,010					26
							27
							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							38
							39
							40
							41
							42
							43
							44
							45
		6,324,452	735,262		-596,133	3,743,509	46

Schedule Page: 350 Line No.: 6 Column: e

Represents Texas rate case costs related to Docket No. 44941 which the Company filed with the PUCT in August 2015. These costs are being amortized over two years beginning in October 2016.

Schedule Page: 350 Line No.: 13 Column: e

Represents New Mexico Fuel and Purchased Power Cost Adjustment Clause ("FPPCAC") audit costs in Case No. 10-00065 UT. These costs are being amortized to FERC account 407 over three years beginning in July 2016.

Schedule Page: 350 Line No.: 16 Column: e

Represents New Mexico rate case costs related to NMPRC Case No. 15-00127-UT which the Company filed with the NMPRC in May 2015. These costs are being amortized over three years beginning in July 2016.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	9,511,031		
4	Transmission	6,380,011		
5	Regional Market			
6	Distribution	9,015,535		
7	Customer Accounts	9,027,793		
8	Customer Service and Informational			
9	Sales			
10	Administrative and General	34,074,195		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	68,008,565		
12	Maintenance			
13	Production	6,235,804		
14	Transmission	846,601		
15	Regional Market			
16	Distribution	4,032,448		
17	Administrative and General	403,441		
18	TOTAL Maintenance (Total of lines 13 thru 17)	11,518,294		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	15,746,835		
21	Transmission (Enter Total of lines 4 and 14)	7,226,612		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	13,047,983		
24	Customer Accounts (Transcribe from line 7)	9,027,793		
25	Customer Service and Informational (Transcribe from line 8)			
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	34,477,636		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	79,526,859	874,138	80,400,997
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminaling and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission			

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

DISTRIBUTION OF SALARIES AND WAGES (Continued)

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Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru 47)			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	79,526,859	874,138	80,400,997
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	22,558,779	1,969,923	24,528,702
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	22,558,779	1,969,923	24,528,702
72	Plant Removal (By Utility Departments)			
73	Electric Plant	46,625	4,461	51,086
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	46,625	4,461	51,086
77	Other Accounts (Specify, provide details in footnote):			
78	In-Kind Donations and Exp for Certain Civic, Political & Rel	356,066	24,093	380,159
79				
80				
81				
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	356,066	24,093	380,159
96	TOTAL SALARIES AND WAGES	102,488,329	2,872,615	105,360,944

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

		Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch	8,431,656	MWh	809,439	2,207,712	MWh	1,080,595
2	Reactive Supply and Voltage	8,431,656	MWh	505,899	368,822	MWh	230,663
3	Regulation and Frequency Response						
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement						
7	Other						
8	Total (Lines 1 thru 7)	16,863,312		1,315,338	2,576,534		1,311,258

Schedule Page: 398 Line No.: 1 Column: b

Ancillary Services Purchased represents service to Native Load that El Paso Electric Company self-provides from its own facilities. The dollar values are imputed as though El Paso Electric Company took these services under its own tariff.

Schedule Page: 398 Line No.: 1 Column: d

Ancillary Services Purchased represents service to Native Load that El Paso Electric Company self-provides from its own facilities. The dollar values are imputed as though El Paso Electric Company took these services under its own tariff.

Schedule Page: 398 Line No.: 1 Column: e

The Number of Units includes 2,185,450 MWh from hourly services, (of which 8 MWh were sold to El Paso Electric Marketing (El Paso Electric Company's Resource Management Department)); 9,394 MWh from daily services; 3,700 MWh from monthly services; and 9,168 MWh from yearly contracts, (of which 100 MWh were sold to Rio Grande Electric Co-Op, a network customer of El Paso Electric Company).

Schedule Page: 398 Line No.: 1 Column: g

$218,465 pertains to hourly services (of which $1 pertains to El Paso Electric Marketing, (El Paso Electric Company's Resource Management Department)). $21,711 pertains to daily services. $257,592 pertains to monthly services and $582,827 pertains to yearly contracts, (of which $6,976 pertains to Rio Grande Electric Co-Op, a network customer of El Paso Electric Company).

Schedule Page: 398 Line No.: 2 Column: b

Ancillary Services Purchased represents service to Native Load that El Paso Electric Company self-provides from its own facilities. The dollar values are imputed as though El Paso Electric Company took these services under its own tariff.

Schedule Page: 398 Line No.: 2 Column: d

Ancillary Services Purchased represents service to Native Load that El Paso Electric Company self-provides from its own facilities. The dollar values are imputed as though El Paso Electric Company took these services under its own tariff.

Schedule Page: 398 Line No.: 2 Column: e

The Number of Units includes 358,237 MWh from hourly services; 5,241 MWh from daily services; 880 MWh from monthly services; and 4,464 MWh from yearly contracts, (of which 100 MWh were sold to Rio Grande Electric Co-Op, a network customer of El Paso Electric Company).

Schedule Page: 398 Line No.: 2 Column: g

$21,531 pertains to hourly services. $7,641 pertains to daily services. $37,754 pertains to monthly services and $163,737 pertains to yearly contracts, (of which $4,369 pertains to Rio Grande Electric Co-Op, a network customer of El Paso Electric Company).

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	1,095	4	2000		5	681	50	73	
2	February	1,099	2	2000		5	684	50	70	
3	March	990	2	2000		6	638	50	72	
4	Total for Quarter 1					16	2,003	150	215	
5	April	1,142	22	1500		9	612	50	142	
6	May	1,424	13	1600		12	684	50	70	
7	June	1,863	23	1600		15	681	50	543	
8	Total for Quarter 2					36	1,977	150	755	
9	July	1,877	14	1600		14	710	50	634	
10	August	1,787	8	1600		9	732	50	612	
11	September	1,620	21	1600		9	729	50	615	
12	Total for Quarter 3					32	2,171	150	1,861	
13	October	1,359	11	1600		6	675	50	549	
14	November	1,079	2	1500		4	698	50	526	
15	December	1,122	8	2000		6	665	50	75	
16	Total for Quarter 4					16	2,038	150	1,150	
17	Total Year to Date/Year					100	8,189	600	3,981	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY	
2	Generation (Excluding Station Use):	
3	Steam	2,673,037
4	Nuclear	5,093,844
5	Hydro-Conventional	
6	Hydro-Pumped Storage	
7	Other	1,053,125
8	Less Energy for Pumping	
9	Net Generation (Enter Total of lines 3 through 8)	8,820,006
10	Purchases	2,317,967
11	Power Exchanges:	
12	Received	53,725
13	Delivered	23,015
14	Net Exchanges (Line 12 minus line 13)	30,710
15	Transmission For Other (Wheeling)	
16	Received	5,856,886
17	Delivered	5,856,886
18	Net Transmission for Other (Line 16 minus line 17)	
19	Transmission By Others Losses	
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	11,168,683

Line No.	Item (a)	MegaWatt Hours (b)
21	DISPOSITION OF ENERGY	
22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	7,812,491
23	Requirements Sales for Resale (See instruction 4, page 311.)	62,086
24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	2,723,934
25	Energy Furnished Without Charge	
26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	13,653
27	Total Energy Losses	556,519
28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	11,168,683

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM: MONTHLY PEAKS AND OUTPUTS

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirments Sales for Resale & Associated Losses (c)	MONTHLY PEAK Megawatts (See Instr. 4) (d)	MONTHLY PEAK Day of Month (e)	MONTHLY PEAK Hour (f)
29	January	916,793	276,359	1,095	4	2000
30	February	847,666	277,494	1,099	2	2000
31	March	853,098	270,523	990	2	2000
32	April	708,786	121,950	1,142	22	1500
33	May	939,733	239,221	1,424	13	1600
34	June	1,139,598	269,612	1,863	23	1600
35	July	1,186,508	205,730	1,877	14	1600
36	August	1,097,298	228,224	1,787	8	1600
37	September	955,440	195,022	1,620	21	1600
38	October	859,028	180,089	1,359	11	1600
39	November	771,991	192,591	1,079	2	1500
40	December	892,744	267,119	1,122	8	2000
41	TOTAL	11,168,683	2,723,934			

Schedule Page: 401 Line No.: 10 Column: b
Includes 796,426 MWhs related to purchases to Freeport-McMoRan related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 20 Column: b
Includes 796,426 MWhs related to purchases to Freeport-McMoRan related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 24 Column: b
Includes 796,426 MWhs related to purchases to Freeport-McMoRan related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 28 Column: b
Includes 796,426 MWhs related to purchases to Freeport-McMoRan related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 29 Column: b
Includes 75,538 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 29 Column: c
Includes 75,538 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 30 Column: b
Includes 86,641 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 30 Column: c
Includes 86,641 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 31 Column: b
Includes 83,524 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 31 Column: c
Includes 83,524 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 32 Column: b
Includes 46,951 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 32 Column: c
Includes 46,951 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 33 Column: b
Includes 69,488 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 33 Column: c
Includes 69,488 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 34 Column: b
Includes 63,543 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 34 Column: c
Includes 63,543 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 35 Column: b
Includes 68,942 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 35 Column: c
Includes 68,942 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 36 Column: b

Includes 67,747 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 36 Column: c

Includes 67,747 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 37 Column: b

Includes 70,042 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 37 Column: c

Includes 70,042 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 38 Column: b

Includes 72,210 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 38 Column: c

Includes 72,210 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 39 Column: b

Includes 32,683 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 39 Column: c

Includes 32,683 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 40 Column: b

Includes 59,117 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Schedule Page: 401 Line No.: 40 Column: c

Includes 59,117 MWhs related to the Company's Power Purchase and Sales Agreement with Freeport-McMoRan dated December 16, 2005.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: *Rio Grande* (b)			Plant Name: *Rio Grande Unit 9* (c)		
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	Steam			Gas Turbine		
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Indoor and Outdoor			Outdoor		
3	Year Originally Constructed	1929			2013		
4	Year Last Unit was Installed	1972			2013		
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	266.00			132.00		
6	Net Peak Demand on Plant - MW (60 minutes)	212			92		
7	Plant Hours Connected to Load	7113			2666		
8	Net Continuous Plant Capability (Megawatts)	233			88		
9	When Not Limited by Condenser Water	238			93		
10	When Limited by Condenser Water	233			88		
11	Average Number of Employees	52			0		
12	Net Generation, Exclusive of Plant Use - KWh	596450000			169051000		
13	Cost of Plant: Land and Land Rights	100946			0		
14	Structures and Improvements	6482252			22092666		
15	Equipment Costs	56641123			73909961		
16	Asset Retirement Costs	76983			0		
17	Total Cost	63301304			96002627		
18	Cost per KW of Installed Capacity (line 17/5) Including	237.9748			727.2926		
19	Production Expenses: Oper, Supv, & Engr	731549			0		
20	Fuel	23218717			5104486		
21	Coolants and Water (Nuclear Plants Only)	0			0		
22	Steam Expenses	1626669			0		
23	Steam From Other Sources	0			0		
24	Steam Transferred (Cr)	0			0		
25	Electric Expenses	150421			0		
26	Misc Steam (or Nuclear) Power Expenses	1132844			148		
27	Rents	0			0		
28	Allowances	0			0		
29	Maintenance Supervision and Engineering	757631			0		
30	Maintenance of Structures	179159			5847		
31	Maintenance of Boiler (or reactor) Plant	2038748			0		
32	Maintenance of Electric Plant	2387557			1341696		
33	Maintenance of Misc Steam (or Nuclear) Plant	720218			30806		
34	Total Production Expenses	32943513			6482983		
35	Expenses per Net KWh	0.0552			0.0383		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Oil		Gas	Oil	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Mcf	BBL		Mcf	BBL	
38	Quantity (Units) of Fuel Burned	7217242	0	0	1552934	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1054000	0	0	1056700	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	3.217	0.000	0.000	3.287	0.000	0.000
41	Average Cost of Fuel per Unit Burned	3.217	0.000	0.000	3.287	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	3.052	0.000	0.000	3.111	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.039	0.000	0.000	0.030	0.000	0.000
44	Average BTU per KWh Net Generation	12753.000	0.000	0.000	9707.000	0.000	0.000

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) *(Continued)*

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: *Newman* (d)			Plant Name: *Four Corners* (e)			Plant Name: *Copper* (f)			Line No.
Steam			Coal			Gas Turbine			1
Indoor and Outdoor			Indoor			Outdoor			2
1959						1979			3
2011						1980			4
889.00			0.00			79.00			5
522			0			67			6
8574			0			872			7
752			0			64			8
758			0			64			9
752			0			64			10
76			0			0			11
1901329000			175258000			33070000			12
181900			0			10000			13
46997813			0			785480			14
383305348			0			15335306			15
-325470			2463625			15479			16
430159591			2463625			16146265			17
483.8691			0			204.3831			18
1900597			141672			0			19
67872165			5152211			1775818			20
0			0			0			21
1112202			577476			0			22
0			0			0			23
0			0			0			24
2845063			51742			0			25
2404223			574055			110295			26
459210			505813			0			27
17887			0			0			28
1321164			120103			0			29
724656			324730			8587			30
3135095			3340918			0			31
6495919			1175671			606333			32
1446256			601908			47045			33
89734437			12566299			2548078			34
0.0472			0.0717			0.0771			35
Gas	Oil		Coal	Gas		Gas	OIl		36
Mcf	BBL		Ton	Mcf		Mcf	BBL		37
20501320	0	0	99878	28352	0	522717	0	0	38
1539200	0	0	17510032	1010000	0	1046000	0	0	39
3.310	0.000	0.000	50.463	3.955	0.000	3.397	0.000	0.000	40
3.310	0.000	0.000	50.463	3.955	0.000	3.397	0.000	0.000	41
2.150	0.000	0.000	2.882	3.915	0.000	3.248	0.000	0.000	42
0.036	0.000	0.000	0.029	0.000	0.000	0.054	0.000	0.000	43
16597.000	0.000	0.000	10142.000	0.000	0.000	16533.000	0.000	0.000	44

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) *(Continued)*

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: *Palo Verde* (b)	Plant Name: *Montana Power* (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	Nuclear	Gas Turbine
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Indoor	Outdoor
3	Year Originally Constructed		2015
4	Year Last Unit was Installed		2016
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	0.00	527.00
6	Net Peak Demand on Plant - MW (60 minutes)	0	372
7	Plant Hours Connected to Load	0	4450
8	Net Continuous Plant Capability (Megawatts)	0	355
9	When Not Limited by Condenser Water	0	375
10	When Limited by Condenser Water	0	355
11	Average Number of Employees	0	14
12	Net Generation, Exclusive of Plant Use - KWh	5093844000	850542000
13	Cost of Plant: Land and Land Rights	2347713	2313124
14	Structures and Improvements	526665603	77033503
15	Equipment Costs	1304807166	301225282
16	Asset Retirement Costs	-42229190	189335
17	Total Cost	1791591292	380761244
18	Cost per KW of Installed Capacity (line 17/5) Including	0	722.5071
19	Production Expenses: Oper, Supv, & Engr	14243113	380254
20	Fuel	45822772	25835623
21	Coolants and Water (Nuclear Plants Only)	7029684	0
22	Steam Expenses	6387000	177123
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	4533306	0
26	Misc Steam (or Nuclear) Power Expenses	22224589	1984353
27	Rents	0	30482
28	Allowances	0	0
29	Maintenance Supervision and Engineering	3383142	521
30	Maintenance of Structures	1362010	23689
31	Maintenance of Boiler (or reactor) Plant	7766157	0
32	Maintenance of Electric Plant	7940162	570696
33	Maintenance of Misc Steam (or Nuclear) Plant	2108837	275485
34	Total Production Expenses	122800772	29278226
35	Expenses per Net KWh	0.0241	0.0344

Line No.	Item (a)	(b)			(c)		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Nuclear			Gas	Oil	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	MMbtu			Mcf	BBL	
38	Quantity (Units) of Fuel Burned	52367009	0	0	6588091	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	0	0	0	1199200	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	0.875	0.000	0.000	3.922	0.000	0.000
41	Average Cost of Fuel per Unit Burned	0.875	0.000	0.000	3.922	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	0.875	0.000	0.000	3.270	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.009	0.000	0.000	0.030	0.000	0.000
44	Average BTU per KWh Net Generation	10280.000	0.000	0.000	9289.000	0.000	0.000

Schedule Page: 403 Line No.: 1 Column: e

Jointly owned plant. The Company sold its interest in Four Corners in July 2016.

Schedule Page: 403 Line No.: 2 Column: e

Data on lines 2-11 for total plant to be reported by the Operating Agent, Arizona Public Service Company. The Company sold its interest in Four Corners in July 2016.

Schedule Page: 402 Line No.: 11 Column: c

Average number of employees included in the number for Rio Grande Plant.

Schedule Page: 403 Line No.: 11 Column: f

Average number of employees included in the number for Newman Plant.

Schedule Page: 403 Line No.: 20 Column: e

Excludes $1,001,598 related to the amortization of final coal reclamation costs.

Schedule Page: 402.1 Line No.: 1 Column: b

Jointly owned plant.

Schedule Page: 402.1 Line No.: 2 Column: b

Data on lines 2-11 for total plant to be reported by the Operating Agent, Arizona Public Service Company.

Schedule Page: 402.1 Line No.: 20 Column: b

Excludes a DOE refund of $1,791,583

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	Solar Plants					
2	Newman PV System	2009	0.06		128	388,498
3	Rio Grande PV System	2009	0.06		123	168,882
4	Wrangler CPV System	2011	0.05		80	418,730
5	Stanton PV System	2012	0.03		68	273,687
6	El Paso Community College PV System	2012	0.02		27	97,020
7	Van Horn PV System	2013	0.02		37	99,675
8	Total Solar		0.24		463	1,446,492
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Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses Fuel (i)	Production Expenses Maintenance (j)	Kind of Fuel (k)	Fuel Costs (in cents (per Million Btu) (l)	Line No.
						1
8,422,406						2
8,687,594						3
8,723,542						4
8,552,719						5
6,468,000						6
6,472,403						7
47,326,664						8
						9
						10
						11
						12
						13
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						46

Schedule Page: 410 Line No.: 2 Column: f

Includes credits of $150,536 recovered through the Volunteer Renewable Energy (VRE) Program.

Schedule Page: 410 Line No.: 2 Column: g

Excludes credits of $150,536 recovered through the VRE Program.

Schedule Page: 410 Line No.: 3 Column: f

Includes credits of $387,124 recovered through the VRE Program.

Schedule Page: 410 Line No.: 3 Column: g

Excludes credits of $387,124 recovered through the VRE Program.

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits
	From (a)	To (b)	Operating (c)	Designed (d)	(e)	On Structure of Line Designated (f)	On Structures of Another Line (g)	(h)
1	Palo Verde	Kyrene	500.00	500.00	(1),(3)		75.00	1
2	Palo Verde	Westwing	500.00	500.00	(3)		90.00	2
3								
4	Newman	West Mesa	345.00	345.00	(2)	232.21		1
5	Newman	Afton	345.00	345.00	(2)	29.88		1
6	Afton	Luna	345.00	345.00	(2)	57.26		1
7	Luna	Greenlee	345.00	345.00	(2)		109.77	1
8	Newman	Eddy County	345.00	345.00	(2)	79.93	125.45	1
9	Diablo	Luna	345.00	345.00	(2)	85.66		1
10	Luna	Macho Springs	345.00	345.00	(2),(3)	24.86		1
11	Macho Springs	Springerville	345.00	345.00	(2),(3)	201.38		1
12								
13								
14	Various 115kV Lines		115.00	115.00	(1),(2)	465.54	47.84	1
15	Various 69kV Lines		69.00	69.00	(1),(2)	202.58	21.55	1
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36					TOTAL	1,379.30	469.61	13

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
1780 ACSR	1,563,967	7,027,603	8,591,570					1
1780 ACSR	1,206,109	5,419,588	6,625,697					2
								3
795 ACSR	930,122	14,693,743	15,623,865					4
795 ACSR	423,552	5,563,407	5,986,959					5
795 ACSR	811,653	10,661,168	11,472,821					6
795 ACSR	86,513	1,931,997	2,018,510					7
954 ACSR/T2	2,836,385	21,943,039	24,779,424					8
954 ACSR	1,114,625	12,217,983	13,332,608					9
954 ACSR	19,320	6,853,289	6,872,609					10
954 ACSR	154,575	54,832,478	54,987,053					11
								12
								13
Various	4,755,530	84,719,813	89,475,343					14
Various	317,743	19,193,444	19,511,187					15
								16
								17
								18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
	14,220,094	245,057,552	259,277,646					36

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of competed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION From (a)	LINE DESIGNATION To (b)	Line Length in Miles (c)	SUPPORTING STRUCTURE Type (d)	SUPPORTING STRUCTURE Average Number per Miles (e)	CIRCUITS PER STRUCTURE Present (f)	CIRCUITS PER STRUCTURE Ultimate (g)
1	Montana - Segment 1	Montwood - Segment 1	0.96	2	14.00	3	3
2	Montana - Segment 2	Montwood - Segment 2	3.18	1	14.00	1	1
3	Montana - Segment 3	Montwood - Segment 3	2.88	1	14.00	2	2
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
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33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44	TOTAL		7.02		42.00	6	6

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).
3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage	LINE COST					Line
Size (h)	Specification (i)	Configuration and Spacing (j)	KV (Operating) (k)	Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	No.
954	ACSS	Horizontal	115						1
954	ACSS	Vertical	115						2
954	ACSS	Vertical	115						3
									4
									5
									6
									7
									8
									9
									10
									11
									12
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									14
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									34
									35
									36
									37
									38
									39
									40
									41
									42
									43
									44

Schedule Page: 424 Line No.: 1 Column: e

Montana to Montwood transmission line is composed of 3 segments; this is the first of the three segments. Schedule Page 424, line 44 colummn e should not be added and shown as a total as this is one transmission line.

Schedule Page: 424 Line No.: 1 Column: f

Schedule Page 424, line 44 colummn f should not be added and shown as a total as this is one transmission line.

Schedule Page: 424 Line No.: 1 Column: g

Schedule Page 424, line 44 colummn g should not be added and shown as a total as this is one transmission line.

Schedule Page: 424 Line No.: 2 Column: e

Montana to Montwood transmission line is composed of 3 segments; this is the second of the three segments. Schedule Page 424, line 44 colummn e should not be added and shown as a total as this is one transmission line.

Schedule Page: 424 Line No.: 2 Column: f

Schedule Page 424, line 44 colummn f should not be added and shown as a total as this is one transmission line.

Schedule Page: 424 Line No.: 2 Column: g

Schedule Page 424, line 44 colummn g should not be added and shown as a total as this is one transmission line.

Schedule Page: 424 Line No.: 3 Column: e

Montana to Montwood transmission line is composed of 3 segments, this is the third of the three segments. Schedule Page 424, line 44 colummn e should not be added and shown as a total as this is one transmission line.

Schedule Page: 424 Line No.: 3 Column: f

Schedule Page 424, line 44 colummn f should not be added and shown as a total as this is one transmission line.

Schedule Page: 424 Line No.: 3 Column: g

Schedule Page 424, line 44 colummn g should not be added and shown as a total as this is one transmission line.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa) Primary (c)	Secondary (d)	Tertiary (e)
1	10,000 kVA and Over				
2					
3	Afton La Mesa, NM	Trans. UA			
4	Airport New Mexico	Dist. UA	115.00	23.90	
5	Alamo Lower Valley	Dist. UA	69.00	23.90	
6	Altura El Paso	Dist. UA	13.80	4.16	
7	Americas El Paso	Dist. UA	69.00	13.80	
8	Amrad Oro Grande, NM	Trans. UA	345.00	115.00	13.00
9	Anthony Anthony, NM	Dist. UA	115.00	24.90	
10	Apollo New Mexico	Dist. UA	69.00	23.90	
11	Arroyo Las Cruces, NM	Trans. UA	345.00	345.00	
12	Arroyo Las Cruces, NM	Trans. UA	345.00	115.00	13.80
13	Arroyo Las Cruces, NM	Dist. UA	115.00	23.90	
14	Ascarate El Paso	Trans. UA	115.00	69.00	13.80
15	Ascarate El Paso	Dist. UA	69.00	13.80	
16	Ascarate El Paso	Dist. UA	69.00	4.16	
17	Austin El Paso	Dist. UA	115.00	13.80	
18	Austin El Paso	Dist. UA	69.00	4.16	
19	Border Steel El Paso	Dist. UA	115.00	13.80	
20	Butterfield El Paso	Dist. UA	115.00	13.80	
21	Caliente El Paso	Trans. UA	345.00	115.00	13.80
22	Caliente El Paso	Dist. UA	115.00	13.80	
23	Chaparral Chaparral, NM	Dist. UA	115.00	13.80	
24	Clint Lower Valley	Dist. UA	69.00	13.80	
25	Copper El Paso	Dist. UA	115.00	13.80	
26	Cox New Mexico	Trans. UA	115.00	69.00	
27	Coyote Lower Valley	Dist. UA	115.00	13.80	
28	Cromo El Paso	Dist. UA	115.00	13.80	
29	Dallas El Paso	Dist. UA	67.00	14.40	
30	Dallas El Paso	Dist. UA	66.00	13.80	
31	Diablo Sunland Park, NM	Trans. UA	345.00	115.00	13.80
32	Diamond Head El Paso	Dist. UA	115.00	13.80	
33	Durazno El Paso	Dist. UA	115.00	13.80	
34	Dyer El Paso	Dist. UA	67.00	14.40	
35	Dyer El Paso	Dist. UA	115.00	69.00	
36	EMRLD New Mexico	Dist. UA	115.00	13.80	
37	Farah El Paso	Dist. UA	69.00	13.80	
38	Felipe El Paso	Dist. UA	69.00	23.90	
39	Fort Bliss El Paso	Dist. UA	115.00	13.20	
40	Global Reach El Paso	Dist. UA	115.00	13.80	

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	Line No.
						1
						2
						3
30	1					4
30	1					5
13	2					6
30	1					7
260	1					8
60	2					9
30	1					10
308	1		Phase Shifting Trans			11
600	3					12
60	2					13
200	2					14
60	2					15
10	1					16
100	2					17
10	1					18
70	2					19
60	2					20
400	2					21
30	1					22
60	2					23
30	1					24
105	2					25
50	1					26
30	1					27
60	2					28
20	1					29
20	1					30
600	3					31
30	1					32
30	1					33
50	2					34
100	1					35
13	1					36
30	1					37
30	1					38
50	2					39
30	1					40

Name of Respondent El Paso Electric Company	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2016/Q4

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa) Primary (c)	Secondary (d)	Tertiary (e)
1	Hatch New Mexico	Dist. UA	115.00	24.90	
2	Horizon Horizon	Dist. UA	115.00	13.80	
3	Jornada Las Cruces, NM	Dist. UA	115.00	23.90	
4	Lane Lower Valley	Dist. UA	115.00	69.00	
5	Lane Lower Valley	Dist. UA	115.00	13.80	
6	Las Cruces Las Cruces, NM	Dist. UA	115.00	23.90	
7	Leo El Paso	Dist. UA	67.00	14.40	
8	Mann Lower Valley	Dist. UA	69.00	13.80	
9	Mann Lower Valley	Dist. UA	67.00	14.40	
10	Mesa El Paso	Dist. UA	115.00	13.80	
11	Milagro El Paso	Dist. UA	115.00	69.00	
12	Milagro El Paso	Dist. UA	115.00	13.80	
13	Montana Pwr St El Paso	Trans. UA	115.00	13.80	
14	Montoya Upper Valley, NM	Dist. UA	115.00	23.90	
15	Montoya Upper Valley, NM	Dist. UA	115.00	24.90	
16	Montwood El Paso	Dist. UA	115.00	23.90	
17	Newman T-1	Trans. UA	345.00	115.00	13.80
18	Newman T-2	Dist. UA	115.00	13.80	
19	Newman T-6	Dist. UA	115.00	13.80	
20	Newman T-8	Dist. UA	115.00	13.80	
21	Newman T-9	Dist. UA	115.00	13.80	
22	Newman T-11	Dist. UA	115.00	13.80	
23	Newman T-13	Dist. UA	115.00	13.80	
24	Newman T-14	Dist. UA	115.00	13.80	
25	Newman T-15	Dist. UA	115.00	13.80	
26	Newman T-16	Dist. UA	115.00	13.80	
27	Patriot T-1 El Paso	Dist. UA	115.00	13.80	
28	Pendale El Paso	Dist. UA	115.00	13.80	
29	Pellicano El Paso	Dist. UA	115.00	23.90	
30	Picacho New Mexico	Dist. UA	115.00	23.90	
31	Picante T-1	Trans. UA	345.00	115.00	13.80
32	Redeye New Mexico	Dist. UA	115.00	13.80	
33	Rio Bosque	Dist. UA	69.00	13.80	
34	Rio Grande T1,T2 Sunland Park, New Mexico	Trans. UA	115.00	69.00	
35	Rio Grande T4 Sunland Park, New Mexico	Dist. UA	66.00	13.80	
36	Rio Grande T5 Sunland Park, New Mexico	Dist. UA	69.00	13.80	
37	Rio Grande T6 Sunland Park, New Mexico	Dist. UA	66.00	13.80	
38	Rio Grande T7 Sunland Park, New Mexico	Dist. UA	115.00	66.40	
39	Rio Grande T12 Sunland Park, New Mexico	Dist. UA	67.00	14.40	
40	Rio Grande T17 Sunland Park, New Mexico	Dist. UA	115.00	13.80	

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	Line No.
30	1					1
30	1					2
30	1					3
100	1					4
30	1					5
120	2					6
20	1					7
30	1					8
30	1					9
60	2					10
100	1					11
90	3					12
500	4					13
100	2					14
30	1					15
30	1	1				16
230	1					17
112	1					18
112	1					19
112	1					20
112	1					21
112	1					22
112	1					23
175	1					24
117	1					25
117	1					26
30	1					27
30	1					28
30	1					29
50	1					30
200	1					31
14	1					32
30	1					33
200	2	1				34
50	1					35
60	1					36
60	1					37
150	1					38
25	1					39
132	1					40

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa) Primary (c)	Secondary (d)	Tertiary (e)
1	Ripley El Paso	Dist. UA	115.00	13.80	
2	Salopek Las Cruces, NM	Dist. UA	115.00	24.90	
3	Santa Fe El Paso	Dist. UA	69.00	13.80	
4	Santa Fe El Paso	Dist. UA	13.80	4.16	
5	Santa Teresa Santa Teresa	Dist. UA	115.00	23.90	
6	Santa Teresa Santa Teresa	Dist. UA	115.00	24.90	
7	Scotsdale El Paso	Dist. UA	115.00	69.00	
8	Scotsdale El Paso	Dist. UA	115.00	13.80	
9	Shearman El Paso	Dist. UA	115.00	13.80	
10	Sierra Blanca Sierra Blanca	Dist. UA	69.00	23.90	
11	Socorro Lower Valley	Dist. UA	69.00	13.80	
12	Sol El Paso	Dist. UA	115.00	13.80	
13	Sparks El Paso	Dist. UA	115.00	13.80	
14	Sparks El Paso	Dist. UA	115.00	69.00	
15	Sunset El Paso	Dist. UA	69.00	13.80	
16	Sunset El Paso	Dist. UA	69.00	4.16	
17	Sunset North El Paso	Dist. UA	115.00	13.80	
18	Sunset North El Paso	Trans. UA	115.00	69.00	14.40
19	Talavera Temp T-1 Las Cruces, NM	Dist. UA	115.00	23.90	
20	Thorn El Paso	Dist. UA	115.00	13.80	
21	Transmountain Temp	Dist. UA	115.00	24.90	
22	Viscount El Paso	Dist. UA	67.00	14.40	
23	Vista El Paso	Dist. UA	115.00	13.80	
24	White Sands New Mexico	Dist. UA	115.00	13.80	
25	Wrangler El Paso	Dist. UA	115.00	13.80	
26					
27	5,000 to 10,000 kVA				
28					
29	Darbyshire El Paso	Dist. UA	69.00	13.80	
30	Farmer Van Horn	Dist. UA	69.00	23.90	
31	Five Points El Paso	Dist. UA	13.80	4.16	
32	Hanes New Mexico	Dist. UA	22.90	4.16	
33	Leo El Paso	Dist UA	13.80	4.16	
34	Midway El Paso	Dist. UA	13.80	4.16	
35	Range New Mexico	Dist. UA	24.90	13.20	
36	S.P. Pipeline El Paso	Dist. UA	13.80	2.40	
37	Valley Lower Valley	Dist. UA	67.00	14.40	
38	Amrad Oro Grande, NM	Dist. UA	115.00	24.90	
39	1,000 to 5,000 kVA				
40					

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	Line No.
30	1					1
75	3					2
25	1					3
11	3					4
30	1					5
30	1					6
100	1					7
55	2					8
30	1					9
18	1					10
30	1					11
60	2					12
30	1					13
89	1					14
60	2					15
10	3					16
60	2					17
70	1					18
13	1					19
60	2					20
20	1					21
30	1					22
60	2					23
30	1					24
50	1					25
						26
						27
						28
8	1					29
10	1					30
6	3					31
6	1					32
5	2					33
6	1					34
8	3					35
6	1					36
8	1					37
8	1					38
						39
						40

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa) Primary (c)	Secondary (d)	Tertiary (e)
1	Alameda Las Cruces, NM	Dist. UA	23.90	4.16	
2	Beaumont El Paso	Dist. UA	13.80	4.16	
3	Coronado El Paso	Dist. UA	13.80	4.16	
4	Fabens Lower Valley	Dist. UA	67.00	4.16	
5	Fresno El Paso	Dist. UA	13.80	4.16	
6	Frontera Upper Valley	Dist. UA	13.80	4.16	
7	Grace El Paso	Dist. UA	14.40	4.16	
8	Hacienda El Paso	Dist. UA	13.80	4.16	
9	Hatch New Mexico	Dist. UA	23.90	4.16	
10	Kemp El Paso	Dist. UA	13.80	4.16	
11	Latta El Paso	Dist. UA	13.80	4.16	
12	McClure Las Cruces, NM	Dist. UA	22.90	4.16	
13	Melendres Las Cruces, NM	Dist. UA	23.90	4.16	
14	Mission El Paso	Dist. UA	13.80	4.16	
15	Missouri Las Cruces, NM	Dist. UA	23.90	4.16	
16	Morningside El Paso	Dist. UA	13.80	4.16	
17	Newell Newell	Dist. UA	13.80	4.16	
18	Octavia El Paso	Dist. UA	13.80	4.16	
19	Parkdale El Paso	Dist. UA	13.80	4.16	
20	Ranchland El Paso	Dist. UA	13.80	4.16	
21	Summit El Paso	Dist. UA	13.80	4.16	
22	UTEP El Paso	Dist. UA	13.80	4.16	
23	Westside Las Cruces, NM	Dist. UA	24.90	4.16	
24	White Upper Valley	Dist. UA	13.80	4.16	
25	Diana El Paso	Dist. UA	13.80	4.16	
26	Mar New Mexico	Dist. UA	24.90	4.16	
27	Sierra Blanca Sierra Blanca	Dist. UA	23.50	4.16	
28	Tobin El Paso	Dist. UA	14.40	4.16	
29	300 to 999 kVA				
30	Fort Hancock Hudspeth County	Dist. UA	24.90	4.16	
31	La Mesa New Mexico	Dist. UA	23.90	4.16	
32	Dallas El Paso	Dist. UA	13.80	4.16	
33	PORTABLE SUBSTATIONS				
34	(All sizes)				
35	Mobile Substation #354	Dist. UA	14.40	4.16	
36	Mobile Substation #355	Dist. UA	23.90	4.16	
37	Mobile Substation #356	Dist. UA	13.80	4.16	
38	Mobile Substation #357	Dist. UA	115.00	24.90	
39	Mobile Substation #359	Dist. UA	13.80	4.16	
40	Mobile Substation #429	Dist. UA	115.00	13.80	

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVa) (k)	Line No.
3	1					1
3	1					2
3	1					3
3	3					4
2	1					5
2	1					6
2	1					7
5	1					8
1	1					9
2	1					10
2	1					11
2	1					12
3	3					13
5	1					14
3	1					15
3	2					16
3	1					17
2	1					18
2	1					19
4	2					20
3	2					21
4	1					22
3	1					23
2	1					24
3	1					25
4	1					26
1	1					27
3	1					28
						29
1	1					30
1	1					31
4	2					32
						33
						34
5	1					35
2	1					36
4	1					37
24	1					38
10	1					39
24	1					40

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa) Primary (c)	Secondary (d)	Tertiary (e)
1					
2	SPARE TRANSFORMERS	N/A			
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
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26					
27					
28					
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30					
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32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
El Paso Electric Company	(1) [X] An Original (2) [ ] A Resubmission	/ /	End of 2016/Q4

SUBSTATIONS (Continued)

5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVa)	Number of Transformers In Service	Number of Spare Transformers	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (In MVa)	
(f)	(g)	(h)	(i)	(j)	(k)	
						1
		19				2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
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						30
						31
						32
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						35
						36
						37
						38
						39
						40

Schedule Page: 426   Line No.: 3   Column: a

Afton substation is a switching transmission substation. The Company does not own the transformers on site.

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