

The Power of Partnership

POWER



Kelly A. Tomblin

Chief Executive Officer, El Paso Electric Company

- 30 years experience in the energy industry
- Experience includes U.S., Canada, Latin America, Caribbean, and U.K.
- Led renewable development, new storage solutions, operational excellence programs, customer re-engagement initiatives and improved customer solution strategies.
- Passionate about economic development, diversity, leadership, and unleashing talent
- Excited to be in the El Paso Region- and to lead the Transformation of the Energy Landscape and developing relationships with elected officials.



Transforming the Energy Landscape

- Flexible Generation to Meet our Climate and Reliability Goals
- Smarter Grids for Smarter Cities
- Enhanced Customer Control and Information
- Smarter Resource Utilization and Improved Asset Management
- Energy Education for Efficiency
- An Involved Intentional Approach to Economic Development
- Improved Stakeholder Engagement



EPE's 2021 Strategy



21 Goals for 2021



21 GOALS FOR 2021

Each and every one of us play a critical role in transforming the energy landscape. These priorities will pave the way to the realization of these important goals.

- SAFETY**
 1. Achieve 1st Quartile Safety Performance
- CYBER**
 2. Build Exceptional Employee Culture of Cyber Awareness
 3. Secure EPE Systems and Information at the Highest Level
- CUSTOMER**
 4. Implement Resource Plan to Replace Older Generation
 5. Meet 2021 Summer Peak with Adequate and Resilient Infrastructure
 6. Develop Masterplan and Roadmap for Distribution Grid Modernization
 7. Develop Asset Management System Masterplan and Roadmap
 8. Improve Grid Efficiency and Utilization
 9. Deliver a Top Quartile, Quality Customer Experience
- COMMUNITY**
 10. Drive Community Engagement in the Region
 11. Drive Regional Economic Growth
 12. Achieve Regulatory Goals
 13. Improve Brand Perception
- CLIMATE**
 14. Lead Our Region to a Clean Energy Future
 15. Lead Our Region in Electrification Expansion
- CULTURE**
 16. Improve Employee Development and Engagement Process
 17. Promote Diversity, Equity, and Inclusion (DEI)
 18. Improve Employee Health and Well-Being
 19. Choose the Right Projects to Optimize Performance
 20. Improve Financial Performance Throughout the Organization
 21. Develop Process Improvement Program

By keeping these priorities at the forefront, we will confidently usher in a new era in energy solutions.

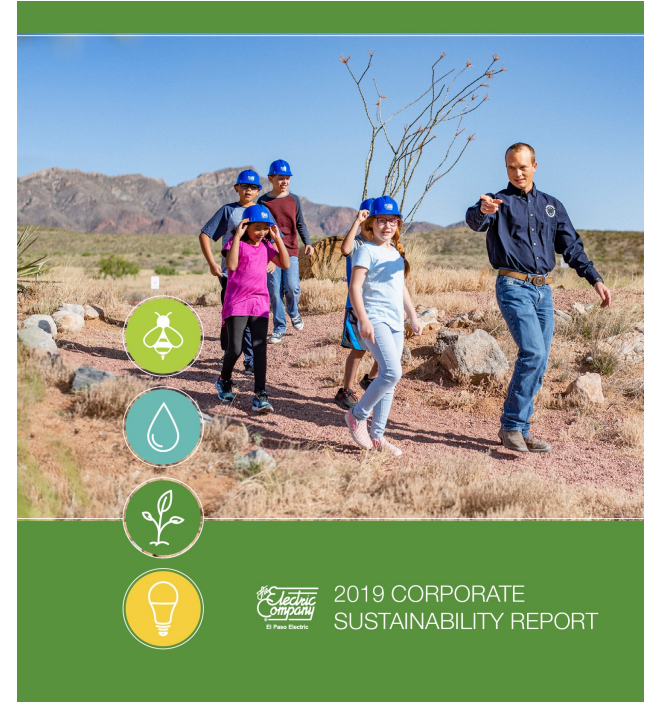




EPE's Climate Commitment

“To protect the **environment** and support our **communities** while engaging our employees and **customers** as we **transform the energy landscape**.”

- Reduce energy use, water use, and waste generation;
- Support adoption of clean technologies on both the supply and customer sides;
- Deploy technologies to enable more efficient use of energy;
- Develop equitable regulatory and rate constructs; and
- Grow and maintain constructive relationships with stakeholders interested in advancing sustainability in the communities we serve.



EPE's Climate Commitment

- Protect the **environment**
 - Goal to continue to perform in the top 25% of the 100 largest power producers in the U.S. for lowest carbon emissions
 - Plan to reduce:
 - carbon intensity by 40% by 2035
 - water use by 25% by 2025
 - Transition EPE's vehicle fleet to hybrid and electric vehicles
 - Minimize wildlife impacts by avoiding, relocating, or rehabilitating species

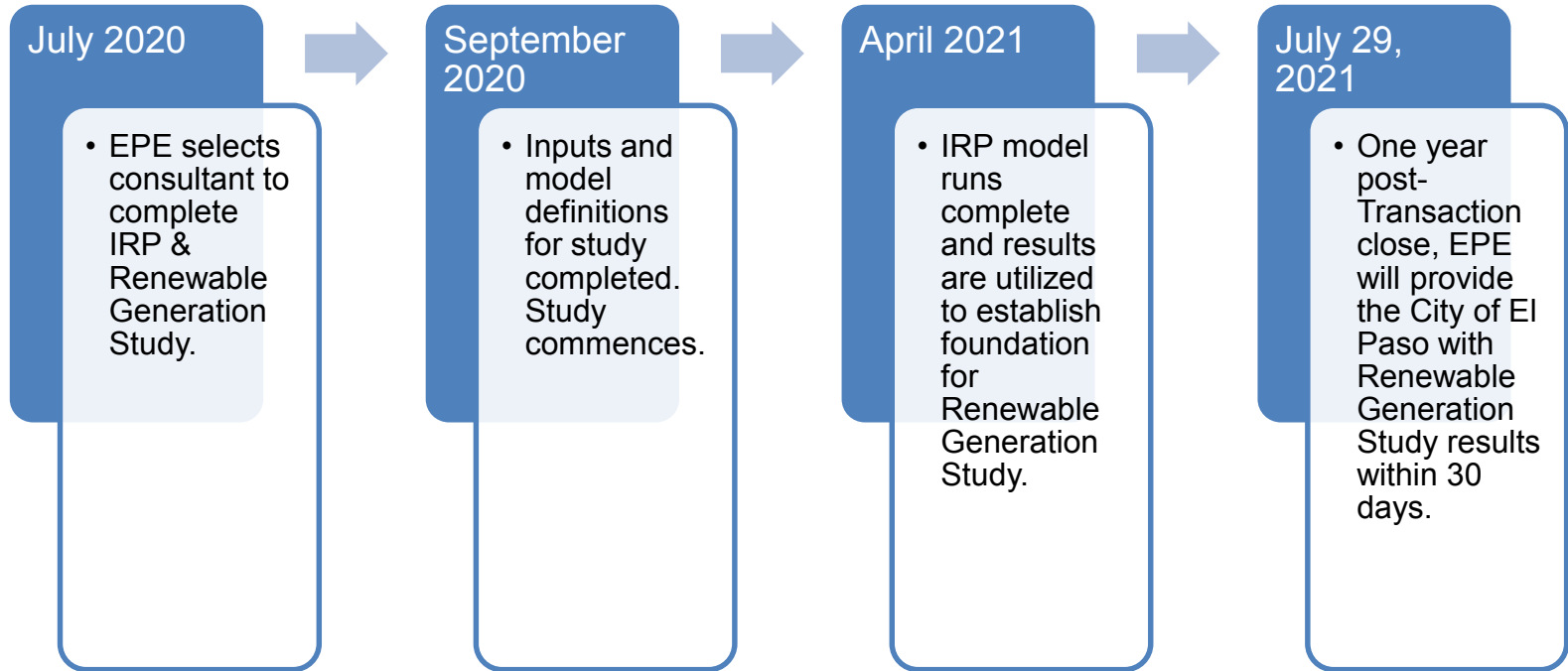


2018 Output Emission Rates	
	CO _{2e} (lbs/MWh)
El Paso Electric	538
U.S. Power Sector	953
WECC Southwest	1028
New Mexico	1340
Texas	984

U.S. EPA, 2020. Emissions & Generation Resource Integrated Database (eGRID) at https://www.epa.gov/sites/production/files/2020-01/documents/eGRID2018_summary_tables.pdf



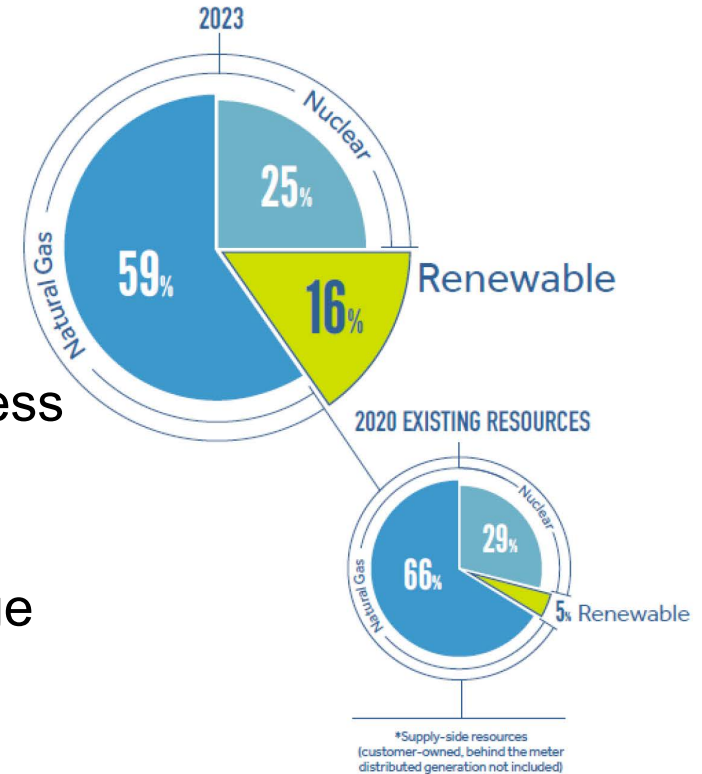
Climate: Renewable Generation Study Timeline





Customer: Powering a New Generation of Resources

- EPE's resource portfolio additions include:
 - 200 megawatts of solar power
 - 50 megawatts of battery storage
 - 228 megawatt Newman Unit 6
- Newman Unit 6 replaces 1950s and 1960s less efficient technology
- Newman Unit 6 can turn on and off within minutes to respond to customer energy usage and changes in renewable resources



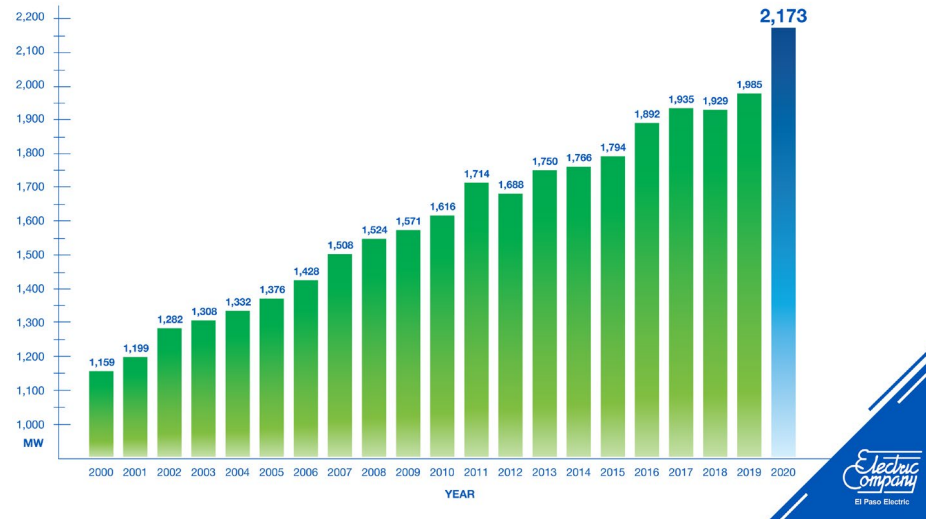
Customer: Ensuring Reliability and Cost Effectiveness

- June 2017- Issued All-Source Request for Proposals
- May 2018 - Received final proposals
- 2018 - Engaged E3 (Energy, Environment, Economics), Industry expert in markets, planning, and new technology analysis
 - Authored numerous decarbonization papers
 - RFP Selection Analysis
- December 2018 - RFP Selection and Award
- January 2019 and December 2019 - Press releases issued
- October 16, 2020 - Public Utility Commission of Texas grants Certificate of Convenience and Necessity authorization

Customer: Meeting the Growing Needs of our Community

- The additions of solar, battery storage, and Newman Unit 6 are needed to meet the growing needs of our community due to:
 - Load growth
 - Customer growth
 - Increased economic development
 - Electrification of the economy
 - Aging infrastructure and plants that need to be retired

2020 PEAK LOAD



Customer: Making Good, Better

Newman Unit 6

- Newman Unit 6 is Zero Carbon Capable
 - Possibility of exploring partial hydrogen fuel operation
 - Could explore modification for 100% hydrogen fuel operation
- 600 million gallons of water per year will be saved
- 20% greater efficiency than the replaced units, resulting in a significant reduction in natural gas usage

Customer: Growing El Paso's Economy

- Economic benefits for the El Paso Metropolitan Statistical Area due to Newman Unit 6

Impact Type	Employment	Labor Income	Output
Direct Effect ¹	22	\$706,009	\$28,440,000
Indirect Effect ²	37	\$3,304,872	\$14,456,222
Induced Effect ³	20	\$766,461	\$2,686,822
Total Effect	79	\$4,777,342	\$45,583,044



Customer: EPE's Commitment to our Community

- Support our **community**
 - EPE partners with more than 145 civic and charitable organizations and provided:
 - Over \$1.5 million in donations in 2020, resulting in a Total Economic Impact of \$2.8 million.
 - Over 10,600 volunteer hours in the last two years
 - EPE drives regional economic development:
 - \$899 million in economic impact
 - 2,446 regional jobs created
 - \$189 million in labor income





Culture of Caring: The COVID-19 Pandemic

- EPE voluntarily suspended disconnections for nonpayment in March 2020
- We partnered with Project Bravo and Project Amistad to assist customers with payments
- **56,264 customers** were provided assistance totaling **\$6,991,603**
- While necessary to resume customer practices, EPE is committed to working with our customers and treating all of our customers equitably

We encourage our customers to contact us by
calling **1-800-592-1634** or emailing
customercare@epelectric.com

Culture of Innovation: Smart Cities

What makes a Smart City?

Smart Cities use data and digital technology to make better decisions, improve efficiency, and quality of life.

Advanced Metering Infrastructure allows for the creation of Smart Cities.



Smart Public Services

(water, lighting, waste, public health)



Smart Infrastructure

(efficient homes and buildings)



Smart Transportation

(traffic management, mobility tools)



Smart Energy

(microgrids, distributed energy)



Smart Data/Intelligent Services

(transparency & open data, free Wi-Fi)

Culture of Innovation: Smart City Outcomes



Better
use of
resources

- Energy Efficiency and emissions reduction
- Reduction of water losses
- Water distribution optimization
- Optimization of supply chains for health, food, and other services
- Circular Economy

Improve Risk
management
tools

- Flooding responses
- Natural disaster alerts
- Increase Resilience
- Speed up emergency response

Increase
Social
cohesion

- Increase transparency and public trust
- Safe space
- Equal Access to technology
- Increase customer/ citizen participation

Moving Forward Together

We look forward to reestablishing our partnership with the City of El Paso and our customers to ensure the prosperity of our region.

We will work together with increased communication to create a culture of collaboration and transparency.

Get to know us again as we transform the energy landscape with a commitment to climate, customers, culture, and community.

Contact Us



Call

El Paso Electric Toll free:

1-800-592-1634
(915) 543-5711

Customer Service

Texas: (915) 543-5970
New Mexico: (575) 526-5555

Trouble and Outage Number

Texas: (915) 877-3400
New Mexico: (575) 523-7591

[Mobile App](#) →



Mail

Mailing Address

El Paso Electric
P.O. Box 982
El Paso, Texas 79960



Email

Contact us by email:

customercare@epelectric.com

<https://www.epelectric.com/customers/residential/customer-service/assistance-programs>