



El Paso Electric

**El Paso Electric Company
Presentation To
El Paso City Council
May 7, 2013**



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Overview

- EPE's TX Renewable Energy Credit Requirements
- Proposed Legislation SB1478
- Potential Incremental Cost Under Proposed Legislation
- Potential Impact on Average Residential Customer
- EPE's Renewable Facilities



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TX Renewable Capacity Goals

Texas Goal for Renewable Capacity

2008-09 3,272 MW

2010-11 4,264 MW

2012-13 5,256 MW

2014-15 5,880 MW

2025 10,000 MW

EPE REC Requirements (1 MWh = 1 REC)

2008-09 162,985 MWh

2010-11 223,475 MWh

2012 310,876 MWh

2014 353,000 MWh*

2025 600,000 MWh*

*Forecasted



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Proposed Legislation SB 1478

- Legislation would require EPE to acquire a percentage of TX REC requirements from facilities connected to EPE's transmission or distribution system in Texas or New Mexico
- 2015 15 percent
- 2018 20 percent
- 2021 35 percent
- Limitation on price is the lesser of:
 - \$50/REC, or
 - 5 times the average price paid for RECs in the previous year



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EPE Historical TX REC Cost

EPE's Average Cost of TX RECs

2008 \$1.96/REC

2009 \$0.85/REC

2010 \$0.94/REC

2011 \$1.95/REC

2012 \$2.55/REC

EPE's Total Annual TX REC Cost

2008 \$311,529

2009 \$141,958

2010 \$212,616

2011 \$429,717

2012 \$792,208



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Potential Incremental Cost

REC Requirements from Interconnected Facilities

2015 52,950

2018 70,600

2021 123,550

2025 210,000

Assumes total EPE REC requirement of 353,000 in 2015-2021 and 600,000 in 2025

Potential Incremental Cost \$2.55/REC

\$540,090

\$720,120

\$1,260,210

\$2,142,000

Assumes RECs were purchased at 5 times \$2.55/REC

Potential Incremental Cost \$10/REC

\$2,118,000

\$2,824,000

\$4,942,000

\$8,400,000

Assumes RECs are purchased at 5 times \$10/REC



Potential Impact on Average Residential Customer

REC Requirements from Interconnected Facilities

2015 52,950

2018 70,600

2021 123,550

2025 210,000

Assumes total EPE REC requirement of 353,000 in 2015-2021 and 600,000 in 2025

Potential Annual Bill Impact Under Low Cost Scenario

\$0.71

\$0.91

\$1.49

\$2.36

Assumes RECs were purchased at 5 times \$2.5/REC

Potential Annual Bill Impact Under High Cost Scenario

\$2.77

\$3.58

\$5.83

\$9.25

Assumes RECs are purchased at 5 times \$10/REC



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Appendix

EPE RENEWABLE PROJECTS



EPE Renewable Projects



**Hueco Mountain
Wind Ranch**



**Newman & Rio
Grande Solar PV**



**Stanton Tower
Solar Installation**



**Camino Real Landfill
Gas to Energy Facility**



**Wrangler Solar
Facility**



**El Paso Community
College PV**



**Hatch Solar
Energy Center**



**Roadrunner Solar
Electric Facility**



**Las Cruces
Centennial Farm**



**El Chaparral
Solar Farm**



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EPE Renewable Projects Owned and PPA

Project	Type of Technology	Location	Size
Hueco Mountain Wind Ranch	Wind	East of Horizon, TX	1.32 MW
Newman Solar PV #1	Solar Photovoltaic	El Paso, TX	0.064 MW
Rio Grande Solar PV	Solar Photovoltaic	Sunland Park, NM	0.064 MW
Wrangler Substation PV	Concentrated Photovoltaic	East El Paso	0.048 MW
Stanton Tower Building PV	Mono-Crystalline	Downtown El Paso	0.031 MW
El Paso Community College PV	Solar Poly-Crystalline	EPCC Valle Verde	0.014 MW
Van Horn PV (2013)	Solar Photovoltaic	Van Horn, TX	0.020 MW
Sub-Total EPE Owned			1.56 MW
Southwest Environmental Center PV	Solar Photovoltaic	Las Cruces, NM	0.006 MW
Camino Real Landfill Methane Gas	Biomass	Sunland Park, NM	1.2 MW
Hatch Solar Energy Center	Concentrated Photovoltaic	Hatch, NM	5 MW
NRG Solar Roadrunner	Thin-film Photovoltaic	Santa Teresa, NM	20 MW
Las Cruces Centennial Solar Farm	Solar Poly-Crystalline	Las Cruces, NM	12 MW
El Chaparral Solar Farm	Solar Poly-Crystalline	Chaparral, NM	10 MW
Macho Springs Solar (2014)	Thin-film Photovoltaic	Deming, NM	50 MW
Sub-Total PPA			98.2 MW
Customer-Owned Renewable DG			5 MW
Total Renewables			104.76 MW