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## **El Paso Electric and Element Power Sign Power Purchase Agreement for 50-MWAC Macho Springs Solar Project**

*Element Power and El Paso Electric working together to bring more clean, reliable solar energy to Texas and New Mexico*

EL PASO, Texas--(BUSINESS WIRE)-- El Paso Electric (NYSE:EE) and Element Power today announced the execution of a power purchase agreement for the total output from Element Power's Macho Springs Solar Project, a 50-MW<sub>AC</sub> solar photovoltaic power plant located near Deming, New Mexico on land leased from the New Mexico State Land Office.

El Paso Electric (EPE) selected Element Power's Macho Springs Solar Project offering from a competitive all-sources power request for proposals. El Paso Electric is proud of its partnership with Element Power and looks forward to working together on such an important project in EPE's service territory. The project's output will provide electricity to EPE's customers at a competitive rate and enhance EPE's increasing renewable energy portfolio.

"This project underscores EPE's strategic goal to further enhance its overall energy portfolio mix by providing customers with competitive-based solar energy and helping to make a difference in the communities that we serve," said Tom Shockley, CEO of El Paso Electric Company. EPE is additionally adding five new state-of-the-art LMS 100 Units (88MW each) to its generation capacity over the next several years. This technology was specifically chosen, as it also works in concert with EPE's renewable energy sources and adjusts rapidly to the energy demands of our customers. The first LMS 100 unit is located at the Rio Grande plant in New Mexico, and the additional units are planned for far east El Paso.

"EPE remains at the forefront in advancing renewable energy, and El Paso Electric has taken the lead in the region in acquiring competitive solar energy resources for its customers," said Rocky Miracle, Senior Vice President of Corporate Planning and Development. "With the Macho Springs Solar purchase power agreement, EPE's owned solar energy projects and purchase power agreements represent over 5.5 percent of the Company's dedicated generating capacity, which represents one of the largest percentages in the United States for an investor-owned utility. El Paso Electric is committed to being a leader in the solar industry and will continue to evaluate competitive-based opportunities that will expand its renewable energy portfolio mix. In addition, EPE has one of the smallest carbon footprints of any investor-owned utility in the United States."

"As the largest solar project in the state of New Mexico, the Macho Springs Solar Project will provide clean and cost competitive solar energy to El Paso Electric and its customers," said Anders Glader, Senior Vice President of Element Power. "El Paso Electric is clearly taking a leadership role in the use of renewable energy."

The purchase power agreement is subject to approval by the New Mexico Public Regulation Commission. The project is expected to start construction in 2013 and be completed in 2014. During construction, the project will create an average of 400 construction jobs. When operational, it is expected to produce enough clean, renewable energy to power 18,000 homes.

### **About El Paso Electric**

El Paso Electric is a regional electric utility providing generation, transmission, and distribution service to approximately 384,000 retail and wholesale customers in a 10,000 square mile area of the Rio Grande Valley in west Texas and southern New Mexico. El Paso Electric has a net dependable generating capability of 1,785 MW, plus 99 MW of renewable purchased power (including the Macho Springs Solar Project). El Paso Electric's common stock trades on the NYSE Euronext Exchange under the symbol "EE." For more information about El Paso Electric Company please visit [www.epelectric.com](http://www.epelectric.com).

### **About Element Power**

Element Power develops, acquires, builds, and operates utility-scale solar and wind power projects, creating clean, renewable sources of energy to meet the increasing demand for green electricity and to address the pressing challenges of global warming and energy security. Its solar division, Element Power Solar, has over 2.8GW under development worldwide including projects in the U.S., Latin America, Asia, and Africa. Element Power is owned by [Hudson Clean Energy Partners](http://www.hudsoncleanenergy.com), a leading global private equity firm dedicated solely to investing in renewable power, alternative fuels, and energy efficiency and storage.

Learn more at [www.elpower.com](http://www.elpower.com).

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