



March 26, 2014

## **EPA Air Permit Issued to Build Montana Power Station in Far East El Paso**

EL PASO, Texas--(BUSINESS WIRE)-- The Environmental Protection Agency (EPA) issued the greenhouse gas (GHG) permit for El Paso Electric's (EPE) Montana Power Station in Far East El Paso, which will become effective 30 days from the date of issuance unless it is appealed. EPA's permit action follows the Texas Commission on Environmental Quality's decision in January 2014 to issue a separate permit for emissions other than GHG. Issuance of the EPA permit at this time allows EPE to stay on track to bring the first two units of the power station online by summer of 2015, so that EPE can timely meet the growing needs of the communities it serves.

In a statement issued yesterday in response to comments on the GHG permit, EPA "take[s] notice that El Paso Electric Company at its own initiative also undertook special efforts to reach resolution with community members, including reaching an agreement for ongoing community engagement through a citizen advisory panel. ... Although every situation is different, EPA has generally recognized that community engagement efforts on the part of a permit applicant are commendable. These efforts appear to have proved beneficial in this case."

Even so, EPA's decision may be appealed by Sierra Club's San Francisco office as part of its national "Beyond Gas" campaign. The contemplated timeline allows for any appeal of the permit, which EPE expects would be resolved by late this summer. EPE will then spend the next nine months constructing the first two units and have them completed by the end of May 2015.

"This is a great step in validating EPE's efforts to meet the growing energy needs of our communities with cost-effective new technologies, including clean-burning natural gas, which will help expand our solar energy portfolio and serve to retain EPE's position as a national leader with one of the lowest carbon footprints of any utility of our size in the U.S.," said Tom Shockley, EPE's Chief Executive Officer. "EPA's professionalism throughout this extended process should be commended. We appreciate the thoroughness of their review process and their diligence in considering all issues raised by commenting parties. We also appreciate our neighbors' willingness to hear us out, and their constructive participation in these public review processes."

For more information regarding the EPE Air Permit, please visit their website at: <http://yosemite.epa.gov/r6/Apermit.nsf/AirP#A>.

*El Paso Electric (NYSE:EE) is a regional electric utility providing generation, transmission and distribution service to approximately 394,000 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 1,852 MW.*

El Paso Electric

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