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Texas-Based Utility Well-Positioned for New EPA Carbon Standards: Coal-Free By 2016, Largest Solar Facility Doubles Solar Portfolio

EL PASO, Texas--(BUSINESS WIRE)-- El Paso Electric Company (EPE), a Texas-based utility servicing 395,000 customers in both west Texas and southern New Mexico, is well-positioned for the new carbon standards proposed by the Environmental Protection Agency (EPA). EPE will be coal-free by 2016 and, in less than one year, has doubled its utility-scale solar portfolio, making this west Texas-based utility a national leader in solar development.



#1MachoSprings - Largest Solar Facility in New Mexico (Photo: Business Wire)

sunshine every year, we are in the perfect region for solar energy technologies, which in the long run reduces carbon emissions and provides cleaner air."

El Paso Electric welcomes the completion and commercial operations of Macho Springs, the largest solar facility in New Mexico. This 50 megawatt (MW) solar facility, along with an additional solar facility that will be the largest in El Paso, Texas (10 MW and completed by the end of the year) will expand total solar generation to 6% of EPE's dedicated generation resources.

"Our west Texas and southern New Mexico region has the right kind of sun for optimal solar energy production, making this region the 'goldilocks' in terms of climate, humidity and heat characteristics that allow us to expand our renewable portfolio with cost-effective technologies and reliable energy resources," said Tom Shockley, Chief Executive Officer at El Paso Electric. "With over 300 days of

[Macho Springs Facility - Largest Solar Facility in New Mexico:](#)
[Click here to download b-roll and photos of the facility.](#)

EPE signed a 20-year purchase power agreement (PPA) with Macho Springs Solar, LLC, owned by Southern Company subsidiary Southern Power and Turner Renewable Energy. The facility was built and will be operated by First Solar, a leading global provider of comprehensive photovoltaic (PV) solar systems utilizing its advanced thin-film modules. Macho Springs is located on a 597-acre site in Luna County, New Mexico, between Hatch and Deming, New Mexico. The new solar facility, which is about the same size as 300 football fields, will generate enough clean energy to power more than 18,000 homes. This project will also displace more than 40,000 metric tons of CO₂, the equivalent of taking 7,500 cars off the road, and will displace more than 340,000 metric tons of water consumption annually in southern New Mexico and west Texas.

"We continue to look for opportunities to add cost-effective solar energy technologies as the price of solar energy becomes more competitive," adds Shockley. "At the time we signed our agreement with Macho Springs, it was the cheapest price of solar in the market. Our commitment to building a portfolio that includes renewable technologies complements our local, clean burning natural gas units, helping to make overall power in our region more dependable, safer and cleaner."

Earlier in February 2014, El Paso Electric signed a 30-year PPA with Newman Solar LLC, owned by Colorado-based juwi solar Inc. (JSI), which will build the 10 MW solar energy facility in Northeast El Paso, Texas. The facility is expected to go operational by the end of 2014 powering an additional 3,800 homes.

Coal-Free by 2016

El Paso Electric has determined that it is in the best interest of its 395,000 customers not to participate in the operation of the coal-fired Four Corners Power Plant after the plant's scheduled retirement in July 2016. EPE, which has a 7% interest in the plant, will continue to work with the 93% owners and the Navajo Nation to facilitate their efforts to extend the operation of the plant beyond 2016. EPE will also continue to pursue a sale of its 7% interest in the plant.

For additional information and updates, please visit EPElectric.com or call (915) 497-3495 for interviews.

El Paso Electric (NYSE:EE) is a regional electric utility providing generation, transmission, and distribution service to approximately 395,000 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 1,872 MW.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/multimedia/home/20140615005028/en/>

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