



June 26, 2017

El Paso Electric Customers Set a New Peak Demand for Electricity

EL PASO, Texas--(BUSINESS WIRE)-- On June 22, 2017, El Paso Electric Company ("EPE") (NYSE: EE) customers set a new peak demand of approximately 1,935 megawatts (MW), 2.3% or 43 MW higher than the 1,892 MW peak established on July 14, 2016. This preliminary indication is still subject to final verification.

The week of June 18th saw sustained near-record high temperatures, which increased energy demand and electricity usage. Conversions to refrigerated air conditioners, regional growth and increasingly hotter weather have led to consistent new annual peak loads in 16 out of the last 17 years.

"As we begin to experience prolonged periods of excessive heat, we want to assure customers that we are working hard to maintain reliable service," said Mary Kipp, President and Chief Executive Officer. "Our crews begin preparing several months leading up to the summer season, so that we can continue meeting the high customer demand placed on the grid during this time. Conserving energy during heat waves is an effective way to reduce the stress on the system, protect the environment and can possibly help save money."

For a list of energy saving tips, visit epelectric.com.

About El Paso Electric

El Paso Electric is a regional electric utility providing generation, transmission and distribution service to approximately 411,000 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's common stock trades on the New York Stock Exchange under the symbol EE.

Safe Harbor

This news release includes statements that are forward-looking statements made pursuant to the safe harbor provisions of the Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. This information may involve risks and uncertainties that could cause actual results to differ materially from such forward-looking statements. Additional information concerning factors that could cause actual results to differ materially from those expressed in forward-looking statements is contained in EE's most recently filed periodic reports and in other filings made by EE with the U.S. Securities and Exchange Commission (the "SEC"), and include, but is not limited to: (i) increased prices for fuel and purchased power and the possibility that regulators may not permit EE to pass through all such increased costs to customers or to recover previously incurred fuel costs in rates; (ii) full and timely recovery of capital investments and operating costs through rates in Texas and New Mexico; (iii) uncertainties and instability in the general economy and the resulting impact on EE's sales and profitability; (iv) changes in customers' demand for electricity as a result of energy efficiency initiatives and emerging competing services and technologies, including distributed generation; (v) unanticipated increased costs associated with scheduled and unscheduled outages of generating plant; (vi) the size of our construction program and our ability to complete construction on budget and on time; (vii) potential delays in our construction schedule due to legal challenges or other reasons; (viii) costs at Palo Verde; (ix) deregulation and competition in the electric utility industry; (x) possible increased costs of compliance with environmental or other laws, regulations and policies; (xi) possible income tax and interest payments as a result of audit adjustments proposed by the IRS or state taxing authorities; (xii) uncertainties and instability in the financial markets and the resulting impact on EE's ability to access the capital and credit markets; (xiii) possible physical or cyber attacks, intrusions or other catastrophic events; and (xiv) other factors of which we are currently unaware or deem immaterial. EE's filings are available from the SEC or may be obtained through EE's website, <http://www.epelectric.com>. Any such forward-looking statement is qualified by reference to these risks and factors. EE cautions that these risks and factors are not exclusive. Management cautions against putting undue reliance on forward-looking statements or projecting any future results based on such statements or present or prior earnings levels. Forward-looking statements speak only as of the date of this news release, and EE does not undertake to update any forward-looking statement contained herein.

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