



MAYOR
Renard U. Johnson

CITY MANAGER
Dionne Mack

CITY COUNCIL

District 1
Alejandra Chávez

District 2
Dr. Josh Acevedo

District 3
Deanna M. Rocha

District 4
Cynthia Boyar Trejo

District 5
Ivan Niño

District 6
Art Fierro

District 7
Lily Limón

District 8
Chris Canales

**NEWS
RELEASE**

02/ 20/ 2026

City of El Paso Secures Key Savings for Customers in El Paso Electric Rate Case

EL PASO, Texas—The City of El Paso secured key savings for residents and businesses after the Public Utility Commission of Texas (PUCT) took action in the El Paso Electric’s (EPE) comprehensive rate case. The PUCT adopted major recommendations from the Administrative Law Judges (ALJs) who heard the contested case in August 2025.

Today, the PUCT Commissioners considered the Proposal for Decision (PFD) and approved a modified version of the judges’ recommendation. While the PUCT’s final order will scale back critical parts of the utility’s original request, the overall dollar amount of the increase and monthly impact on ratepayers are still unclear due to the modifications from the PUCT. PUCT staff will work on the modifications to the final order over the coming days, which will allow the parties to calculate the dollar amount of the rate impact.

The typical residential impact is expected to be closer to **about \$13.71 per month** rather than the **\$22.39 per month** associated with EPE’s original filing, final bill impacts will not be confirmed until PUCT staff issues the implementing details needed to calculate customer rates.

The PUCT’s action adopted key aspects of the recommendation, to include:

- **Lower utility profits:** A reduced return on equity (ROE) of **9.4%** instead of the **10.7%** requested by EPE, this provides **future rate relief** to ratepayers from EPE’s interim cost recovery filings between general rate cases, where the utility consistently seeks rate increases.
- **Fairer cost allocation:** Newman Unit 6 power plant costs shared between Texas and New Mexico customers, rather than placing the full burden on Texas ratepayers
- **Rooftop solar (distributed generation) changes:** Kept current solar rate structure in place for existing solar customers, who will be grandfathered from EPE’s prospective solar changes.

“We did not get everything we advocated for, but this decision secured key saving for our residents and cuts back major parts of El Paso Electric’s request,” said City Attorney Karla Nieman. “The City’s participation helped drive a lower, more evidence-based outcome than what was originally proposed.”

Once the details needed to calculate bill impacts are confirmed, City Attorney’s Office will brief the Mayor and City Council to ensure the community receives timely, accurate information.

History

In January 2025, EPE sought a \$93 million rate increase to its annual revenue requirement for Texas ratepayers. This requested rate increase was more than double the \$41.8 million EPE initially sought in its last general rate case in 2021. In this case, if approved as originally filed, the typical residential bill could have risen by about \$22.39 per month, or about a 23% increase. The City intervened and actively participated in the year-long regulatory process to advocate for rates that are fair, justified, and transparent.

Following El Paso City Council’s June 24, 2025 vote to deny EPE’s proposed increase at the local level, the City continued its work through the state process, including extensive discovery, expert analysis, and participation in formal proceedings to challenge unsupported elements of the request.

—more—



Promoting **Transparent & Consistent Communication**
Among All Members of the Community

Media Contact: Laura Cruz Acosta
Strategic Communications Director
Cruz-AcostaLA@elpasotexas.gov
915.491.0758



MAYOR
Renard U. Johnson

CITY MANAGER
Dionne Mack

CITY COUNCIL

District 1
Alejandra Chávez

District 2
Dr. Josh Acevedo

District 3
Deanna M. Rocha

District 4
Cynthia Boyar Trejo

District 5
Ivan Niño

District 6
Art Fierro

District 7
Lily Limón

District 8
Chris Canales

In August 2025, the case proceeded to a formal hearing before the ALJ; and in December 2025, the ALJ issued a Proposal for Decision recommending reductions.

Historically, the City has been a strong advocate for its residents and businesses, yielding positive results for EPE's Texas service area ratepayers. Prior to this current case, the City's involvement in the last six EPE rate cases resulted in approximately \$189 million in relief for ratepayers. Since 2017 the City's involvement in utility matters has resulted in \$317.3 million in savings for ratepayers across both electric and gas utility rate cases and various interim utility filings, reinforcing the City's ongoing commitment to protect ratepayers while supporting reliable utility service.

The City will continue monitoring implementation of the PUCT's decision and any appeals pursued by parties and remain engaged in other utility filings that could impact customer bills.

###



Promoting **Transparent & Consistent Communication**
Among All Members of the Community

Media Contact: Laura Cruz Acosta
Strategic Communications Director
Cruz-AcostaLA@elpasotexas.gov
915.212.1071