

EL PASO ELECTRIC CO /TX/  
Form 10-Q  
May 08, 2013  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q  
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended March 31, 2013

OR  
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-14206

El Paso Electric Company  
(Exact name of registrant as specified in its charter)  
Texas  
(State or other jurisdiction of incorporation or organization)

74-0607870  
(I.R.S. Employer Identification No.)

Stanton Tower, 100 North Stanton, El Paso, Texas  
(Address of principal executive offices)  
(915) 543-5711  
(Registrant's telephone number, including area code)

79901  
(Zip Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

Indicate by check mark whether the registrant submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES  NO

As of April 30, 2013, there were 40,211,757 shares of the Company's no par value common stock outstanding.



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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

EL PASO ELECTRIC COMPANY AND SUBSIDIARY  
CONSOLIDATED BALANCE SHEETS

	March 31, 2013 (Unaudited)	December 31, 2012
ASSETS		
(In thousands)		
Utility plant:		
Electric plant in service	\$2,874,749	\$2,857,913
Less accumulated depreciation and amortization	(1,169,146	) (1,162,483 )
Net plant in service	1,705,603	1,695,430
Construction work in progress	307,716	287,358
Nuclear fuel; includes fuel in process of \$46,475 and \$56,129, respectively	200,335	189,921
Less accumulated amortization	(81,102	) (70,366 )
Net nuclear fuel	119,233	119,555
Net utility plant	2,132,552	2,102,343
Current assets:		
Cash and cash equivalents	43,675	111,057
Accounts receivable, principally trade, net of allowance for doubtful accounts of \$2,252 and \$2,906, respectively	66,545	62,900
Accumulated deferred income taxes	33,835	20,292
Inventories, at cost	43,578	42,358
Prepayments and other	10,042	9,627
Total current assets	197,675	246,234
Deferred charges and other assets:		
Decommissioning trust funds	196,316	187,053
Regulatory assets	101,721	101,590
Other	33,314	31,830
Total deferred charges and other assets	331,351	320,473
Total assets	\$2,661,578	\$2,669,050

See accompanying notes to consolidated financial statements.

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CONSOLIDATED BALANCE SHEETS (Continued)

	March 31, 2013 (Unaudited)	December 31, 2012
<b>CAPITALIZATION AND LIABILITIES</b>		
(In thousands except for share data)		
Capitalization:		
Common stock, stated value \$1 per share, 100,000,000 shares authorized, 65,586,454 and 65,520,551 shares issued, and 115,319 and 84,446 restricted shares, respectively	\$65,702	\$65,605
Capital in excess of stated value	311,377	310,994
Retained earnings	936,715	939,131
Accumulated other comprehensive loss, net of tax	(59,666	) (66,084
	1,254,128	) 1,249,646
Treasury stock, 25,492,919 shares at cost	(424,647	) (424,647
Common stock equity	829,481	824,999
Long-term debt	999,556	999,535
Total capitalization	1,829,037	1,824,534
Current liabilities:		
Short-term borrowings under the revolving credit facility	25,039	22,155
Accounts payable, principally trade	33,802	61,581
Taxes accrued	25,278	29,248
Interest accrued	14,489	12,127
Overcollection of fuel revenues	8,487	4,643
Other	21,637	21,995
Total current liabilities	128,732	151,749
Deferred credits and other liabilities:		
Accumulated deferred income taxes	378,778	358,674
Accrued pension liability	111,731	125,690
Accrued postretirement benefit liability	99,277	99,170
Asset retirement obligation	64,246	62,784
Regulatory liabilities	22,982	22,179
Other	26,795	24,270
Total deferred credits and other liabilities	703,809	692,767
Commitments and contingencies		
Total capitalization and liabilities	\$2,661,578	\$2,669,050
See accompanying notes to consolidated financial statements.		

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EL PASO ELECTRIC COMPANY AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands except for share data)

	Three Months Ended		Twelve Months Ended	
	March 31,		March 31,	
	2013	2012	2013	2012
Operating revenues	\$ 177,290	\$ 168,578	\$ 861,593	\$ 910,479
Energy expenses:				