



El Paso Electric Company



EE NYSE

Utilities - Electric

Market Capitalization USD:

\$1,342.10 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less. 
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Thomas V. Shockley

Age: 67

CEO Since: 2012

	2009	2010	2011
Base Salary	\$500,000	\$560,000	\$596,923
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$505,000	\$492,800	\$576,031
Benefits and Perquisites	\$134,129	\$38,511	\$97,203
TOTAL ANNUAL COMPENSATION	\$1,139,129	\$1,091,311	\$1,270,157
Increase in Post-Retirement Benefits	\$31,482	\$68,940	\$128,584
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$695,432	\$980,996	\$2,963,062
TOTAL COMPENSATION	\$1,866,043	\$2,141,247	\$4,361,803
Median of Other Named Executive Officers Total Compensation	\$764,563	\$686,086	\$745,017
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$197,430	\$251,931	\$776,076
TOTAL REALIZED EQUITY COMPENSATION	\$197,430	\$251,931	\$776,076

Proxy Date: 20 Apr 2012

Annual Meeting Date: 31 May 2012

Equity Reserves: 1.25%

Stock Option Run Rate: 0.00%

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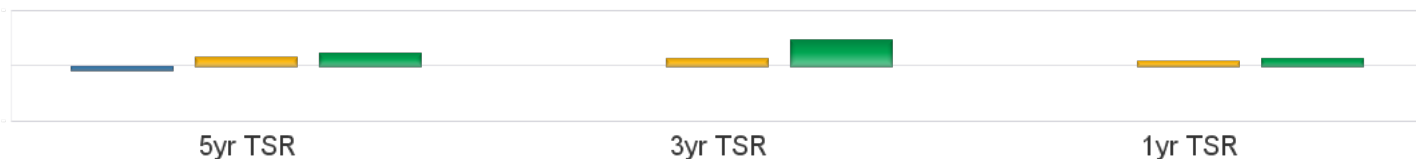
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Performance Comparison

■ S&P500 ■ Industry ■ EE



Peer Comparisons (TRBC) =Utilities - Electric

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
EE	El Paso Electric Company	\$1,866,043	\$2,141,247	\$4,361,803	\$1,342,095,481
ITC	ITC Holdings Corp.	\$4,876,461	\$9,630,508	\$10,832,353	\$3,971,881,258
TE	TECO Energy, Inc.	\$2,970,769	\$2,994,239	\$5,072,801	\$3,695,330,313
NVE	NV Energy, Inc.	\$4,495,237	\$5,336,399	\$7,741,913	\$3,471,424,094
WR	Westar Energy, Inc.	\$1,438,383	\$5,922,847	\$5,758,073	\$3,059,769,024
GXP	Great Plains Energy Incorporated	\$4,780,197	\$4,844,913	\$4,017,261	\$2,624,943,418
HE	Hawaiian Electric Industries, Inc.	\$2,839,735	\$6,568,002	\$5,296,975	\$2,314,463,199

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

ALLETE, Inc., IDACORP, Inc., Allegheny Energy, Inc., Otter Tail Corporation, Ameren Corporation, Pinnacle West Capital Corporation, Black Hills Corporation, PNM Resources, Inc., CH Energy Group, Inc., Portland General Electric Company, Cleco Corporation, SCANA Corporation, DPL, Inc., Unisource Energy Corporation, Great Plains Energy, Inc., Westar Energy, Inc.

Performance Peer Group

ALLETE, Inc., NV Energy Inc., Central Vermont Public Service, PNM Resources, Inc., Cleco Corporation, UIL Holdings Corporation, Great Plains Energy, Inc., Unisource Energy Corporation, Hawaiian Electric Industries, Inc., Westar Energy, Inc., IDACORP, Inc.

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Kenneth R. Heitz	Chairman	64	Male	16	Outside Related
Catherine A. Allen	Member	66	Female	3	Outside
Charles A. Yamarone	Member	53	Male	16	Outside Related
James W. Harris	Member	65	Male	16	Outside Related