



4th Quarter Review: Energy Cost Adjustment and Transmission Cost Recovery Factors

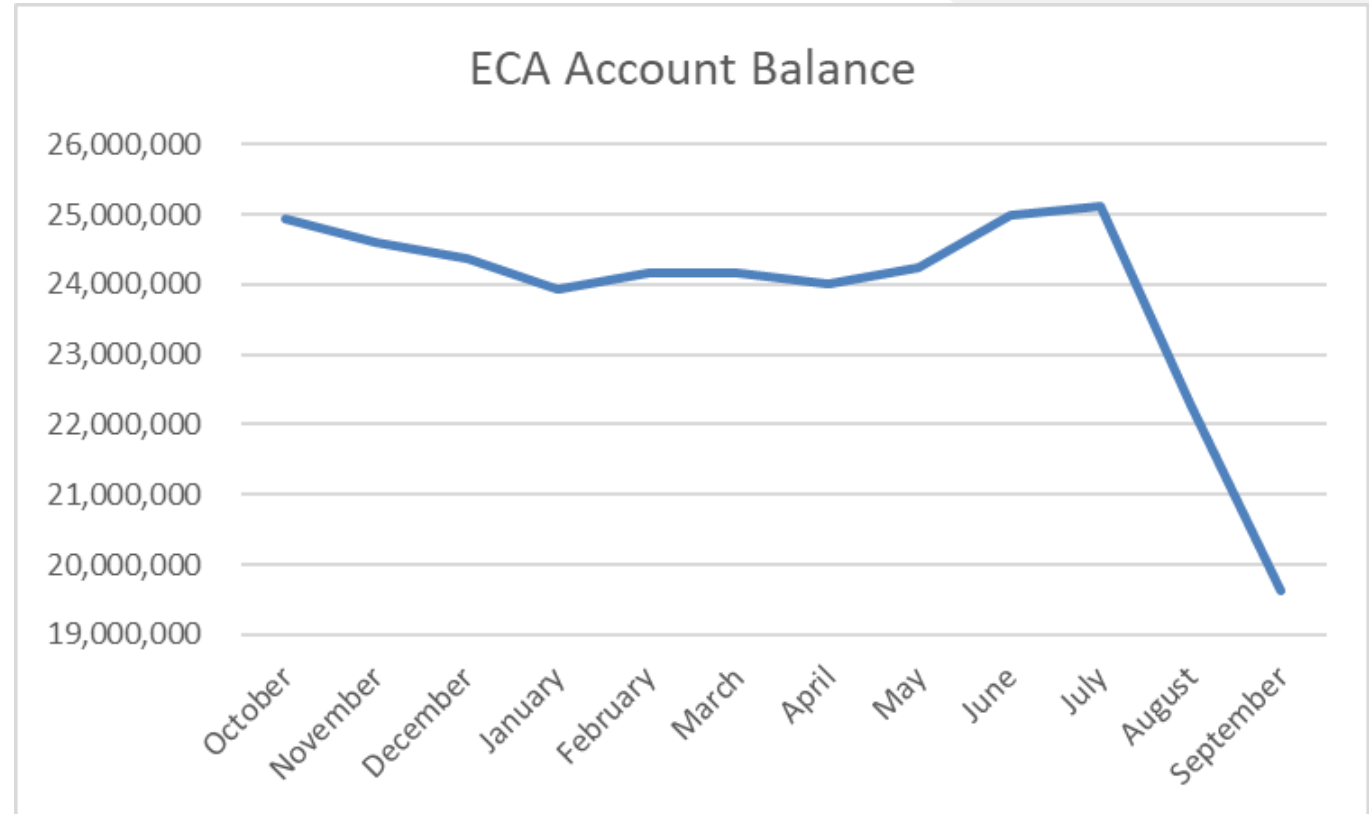
Denton Municipal Electric

Current Rates

- Energy Cost Adjustment (No Changes Recommended)
 - \$0.0462/kWh
 - Provides a buffer +/- \$20,000,000 ECA Balance
- Large Load Energy Cost Adjustment (No Changes Recommended)
 - \$0.0577/kWh
 - Provides a buffer \$20,000,000 ECA Balance
- Transmission Cost Recovery Factor (No Changes Recommended)
 - \$0.0176/kWh
 - \$5.02/kW
 - \$6.95/kVA

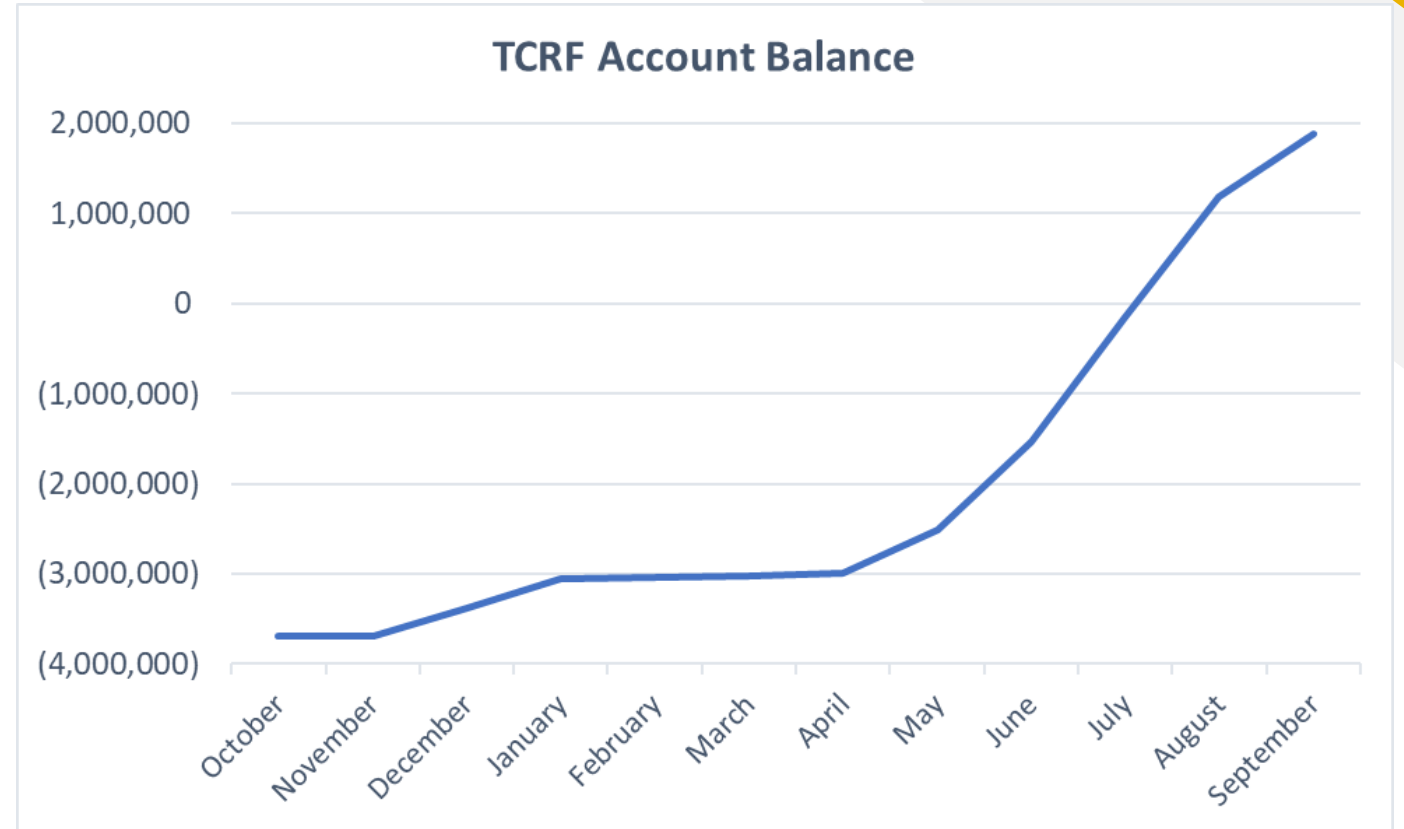
ECA Forecasted Account Balance

ECA Account Balance Forecast		
Month	Year	Maintain Rate
		\$ 0.0462
October	2025	24,947,905
November	2025	24,595,271
December	2025	24,378,391
January	2026	23,922,516
February	2026	24,165,376
March	2026	24,159,559
April	2026	24,003,371
May	2026	24,238,939
June	2026	24,987,733
July	2026	25,122,446
August	2026	22,286,850
September	2026	\$ 19,624,350



TCRF Forecasted Account Balance

TCRF Account Balance Forecast		
Month	Year	Maintain Rate
		\$ 0.0176
October	2025	(3,693,929)
November	2025	(3,692,116)
December	2025	(3,380,523)
January	2026	(3,059,219)
February	2026	(3,040,810)
March	2026	(3,025,271)
April	2026	(2,988,839)
May	2026	(2,515,954)
June	2026	(1,536,413)
July	2026	(144,880)
August	2026	1,179,796
September	2026	\$ 1,884,962



Recommendation

DME General Manager and Finance Department recommendation
(Effective January 1, 2026)

- ECA
 - No requested changes for next quarter
- Large Load ECA
 - No requested changes for next quarter
- TCRF
 - No requested changes for next quarter

Questions?