

**EL PASO ELECTRIC COMPANY**  
**TWELFTH REVISED RATE NO. 22**  
**CANCELLING ELEVENTH REVISED RATE NO. 22**

X  
X

**BACKUP POWER SERVICE FOR  
COGENERATION AND SMALL POWER PRODUCTION FACILITIES**

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**APPLICABILITY**

This rate schedule is applicable to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production facility or cogeneration facility as defined in 18 CFR, Part 292, Subpart B, of the final rules issued by the Federal Energy Regulatory Commission to implement Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978. Pursuant to 18 CFR Part 292.204(a), a qualifying power production facility is "small" when it does not exceed 80 megawatts.

**DEFINITION – BACKUP POWER**

Backup Power means electric energy and/or capacity supplied by the Company during an unscheduled outage of the Qualifying Facility to replace energy and/or capacity ordinarily supplied by the Qualifying Facility.

**TERRITORY**

Areas served by the Company in Doña Ana, Sierra, Otero and Luna Counties.

**TYPE OF SERVICE**

Service available under this rate schedule will be determined by the Company and will either be single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

**BACKUP POWER SERVICE RATE**

Backup Power shall be billed under the retail rate schedule currently in effect and applicable to the Customer absent its Qualifying Facility generation. All provisions in the retail rate schedule are applicable, except as specifically excluded in this rate schedule. No demand ratchets or power factor penalties will apply to this service.

**MONTHLY RESERVATION FEE**

A monthly reservation fee will be charged in the months that Backup Power is not utilized by the Qualifying Facility. The reservation fee will be ten percent (10%) of the monthly demand charge

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Signature/Title /s/ James Schichtl  
**James Schichtl**  
**Vice President – Regulatory and**  
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contained in the retail rate schedule currently in effect and applicable to the Customer absent its qualifying facility generation times the contract capacity.

**DELIVERY SERVICE CHARGE**

A delivery service charge will be billed to the Customer during the months that Backup Power Service is not utilized by the Qualifying Facility. The delivery service charges shall be:

<b>Delivery Service Charge Per kW of Contract Capacity</b>	<b>Connected Load Up To 800 kW</b>	<b>Connected Load In Excess of 800 kW</b>
Secondary Voltage Delivery	\$5.07	\$5.40
Primary Voltage Delivery	\$3.94	\$4.04

X

**DETERMINATION OF CONTRACT CAPACITY**

The contract capacity for the purpose of this rate schedule shall be the amount of capacity, expressed in kilowatts, requested by the Customer or the measured kilowatt output of the Customer's qualifying facilities that the Customer requests the Company to provide for Backup Power Service. When a higher kilowatt load for Backup Power Service is established, the higher kilowatt load shall become the new contract capacity for that month and for each month thereafter, unless and until exceeded by a still higher kilowatt load which in turn shall be subject to the foregoing conditions.

**COMMON PROVISIONS:**

**Interconnection Charge:**

Customers on this rate schedule shall be subject to a charge for interconnection costs.

Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, and administrative costs incurred by the Company which are directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a Qualifying Facility, to the extent such costs are in excess of the corresponding costs that the Company would have incurred if it had not engaged in interconnected operations but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources.

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In conformance with 17.9.570.9 NMAC, the Qualifying Facility shall give the Company at least sixty (60) days written advance notice to interconnect. Such notice shall specify the date the Qualifying Facility will be ready for interconnection, the date the Qualifying Facility will be able to commence testing, and the anticipated date of operation after testing. The Customer shall pay the estimated interconnection costs in full at the time notice to interconnect is provided to the Company. Upon completion of the interconnection the actual costs shall be computed and reimbursements to the appropriate party shall be made for any differences between the actual and estimated cost of interconnection.

In addition, Customers with design capacity greater than 100 kilowatts (kW) shall pay an annual charge of 4.8681% of the capital costs of interconnection to provide for the recovery of property taxes, revenue related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 4.8681% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month. X  
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**METERING EQUIPMENT AND FACILITIES**

The metering options available to the Qualifying Facility are described in the Company's Rate No. 16 Purchased Power Service.

The Company will install, own and maintain all meters and metering equipment. The Customer will install Company approved meter sockets and metering cabinets.

The Company may install, at its expense, on the Customer's premises, load research metering. The Customer shall supply, at no expense to the Company, a suitable location for meters and associated equipment used for billing and for load research purposes.

**TERMS OF PAYMENT**

All bills under this rate schedule are due and payable when rendered and become delinquent twenty (20) calendar days thereafter. If the twentieth day falls on a holiday or weekend, the next Company business day will apply.

**TERMS AND CONDITIONS**

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company

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offices. The provisions of any contract associated with service under this rate schedule are also applicable.

This rate schedule shall be binding upon the Company and the Customer for a period coterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate schedule at any time during such term by providing the Company with written notice at least one (1) year prior to the effective date of such termination, and the Company may terminate in accordance with regulatory regulations. Any change in this rate schedule approved by a regulatory authority with the requisite jurisdiction, shall become effective upon such approval and remain in force until the expiration of the term of this rate schedule or the termination by Customer in accordance with the requirements herein contained, whichever event occurs first in time. The service supplied hereunder is to be used exclusively within the premises of the Customer, as defined in the Customer's application for service.

The Customer will furnish the Company such data as required by the Company to determine that the Customer meets the requirements for qualification.

The Qualifying Facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Backup Power Service provided by the Company by means of a double-throw switch or other Company approved switching solution.

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