

EL PASO ELECTRIC COMPANY
SEVENTH REVISED RATE NO. 29
CANCELLING SIXTH REVISED RATE NO. 29

NOTICED INTERRUPTIBLE SERVICE RATE
FOR LARGE POWER SERVICE

X
X

APPLICABILITY

This rate schedule is closed to new service applications.

This rate schedule is available to current Customers with total connected capacity requirements of at least 1,000 kilowatts (kW) and not served at a transmission voltage level, and at the sole discretion of the Company. The minimum level of firm demand to be required from qualifying Customers is 500 kW.

Noticed Interruptible Power Service is available under this schedule only if the utilization of this service is of such character that the service is capable of being interrupted at any time, upon Company request, without damage to property or persons and without adversely affecting the public health, safety and welfare. This rate schedule is available only in conjunction with firm service under other applicable rate schedules.

At Customer's expense, the Customer will install all necessary communication, relay and breaker equipment to qualify for service under this rate schedule, subject to Company approval. The Customer will pay for associated hardware costs.

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.

MONTHLY RATES

	Secondary Voltage	Primary Voltage
Demand Charge per Billing kW	\$3.94	\$2.79
Energy Charge per kWh	\$ 0.00767	\$0.00767

X

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Signature/Title /s/ James Schichtl
James Schichtl
Vice President – Regulatory and
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DETERMINATION OF BILLING DEMAND AND ENERGY

Maximum Demand will consist of both firm and interruptible demand, and is defined as the highest measured thirty (30) minute average kW load . The Maximum Demand will be adjusted for billing when the Meter Voltage Adjustment clause is applicable.

The Total Billing Demand will be the Maximum Demand. In no event shall Total Billing Demand be less than the Minimum Firm Contract Capacity specified in the Contract for Power Service.

Firm Power Billing Demand shall be the lesser of (1) the Total Billing Demand or (2) the Contract Firm Power Demand established in the Contract for Power Service, but not less than the Minimum Firm Contract Capacity specified in the Contract for Power Service.

Firm Power Billing Demand as defined herein shall constitute the "demand used for billing" under the Customer's firm service rate schedule, and shall be billed in accordance with the rate schedule applicable to Customer's firm service. Noticed Interruptible Power Billing Demand shall be determined as Total Billing Demand minus Firm Power Billing Demand, and shall be billed in accordance with this rate schedule.

Firm Energy shall be determined by multiplying the ratio of the Firm Power Billing Demand to the Total Billing Demand times the metered kWh. Firm Energy shall be billed in accordance with the rate schedule applicable to the Customer's firm service. Noticed Interruptible Energy shall be the difference between the metered kWh and the Firm Energy. Noticed Interruptible Energy shall be billed in accordance with this rate schedule.

POWER FACTOR ADJUSTMENT

If the power factor at the time of the Maximum Demand for the entire load is below 90% lagging, a power factor adjustment shall be calculated as follows:

ADJ = ((kW x .95 / PF) – kW) x DC, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and

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DC = Demand Charge.

METER VOLTAGE ADJUSTMENT

If electric service is delivered on the high voltage side of a Customer-supplied transformer and is metered on the low voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand multiplied by 1.013
Billing kilowatt-hours = Metered kilowatt-hours multiplied by 1.022

If electric service is delivered on the low voltage side of a Company-owned transformer and is metered on the high voltage side of the transformer, the following meter adjustments shall be made:

Adjusted Maximum Demand = Maximum Demand divided by 1.013
Billing kilowatt-hours = Metered kilowatt-hours divided by 1.022

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC)

All service taken under this rate schedule is subject to the provisions of the Company's Rate No. 18 (FPPCAC).

OTHER APPLICABLE RIDERS

All service taken under this rate schedule is subject to the provisions of other Company riders that may apply to this rate schedule and shall be billed pursuant to provisions of those riders.

TAX ADJUSTMENT

Billings under this rate schedule may be increased by an amount equal to the sum of taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied

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or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or on any object or event incidental to the rendition of the service.

CONTRACT FOR SERVICE

A Contract for Power Service (Contract) must be executed between the Company and the Customer prior to taking service under this rate schedule. The Contract shall define the amount of the Customer's demand that shall be served as firm demand. All demand in excess of the amount of firm demand specified in the Contract shall constitute interruptible demand and shall be served and billed on that basis. The Contract term shall be for an initial period of three (3) years, and shall continue year-to-year thereafter until canceled by either party upon one (1) year prior written notice. The amount of Contract Firm Power Demand and Minimum Firm Contract Capacity specified in the Contract will supersede and control over any inconsistent level of demand specified in any pre-existing agreement between the Company and the Customer.

SCHEDULING PROCEDURES

The Company and the Customer shall agree upon detailed procedures for requesting, providing notice of, and implementing interruptions, and shall set forth the same in the Contract for Power Service.

GENERAL CONDITIONS

The Company may make intentional interruptions at any time and from time to time, at the Company's sole discretion, for up to two hundred (200) hours in any calendar year with individual interruptions limited to no more than six (6) hours per interruption, and no more than three (3) interruptions per calendar week. In the event of an interruption, the Company will provide thirty (30) minute notice prior to the interruption. Emergency conditions are deemed to exist at any time, in the sole judgment of the Company, that demands for electricity exceed or are expected to exceed the Company's available electric supply for whatever reason, including, but not limited to, breakdown of generating units, distribution equipment or other critical facilities; short or long term shortages of fuel or generation, distribution, and other facilities; and requirements or orders of governmental agencies. The Company may not interrupt the Customer: (1) due solely to

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differences between the Company's marginal cost of energy and the energy-related charges for Noticed Interruptible Power Service; or (2) to continue or make non-firm off-system sales.

An hour of interruption shall be any clock-hour or part thereof during which the Company invokes an intentional interruption. The number of hours of interruption remaining during the calendar year for the term of the contract shall be reduced by a minimum of four (4) hours each interruption occasion, even though the actual interruption may last for a lesser period.

Interruptions will be directly controlled by the Company's system operator with the appropriate notice provided to Customer.

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

During the term of the Customers' Contract for Power Service, Customer may not engage in self-generation other than periodic operation of self-generation facilities for emergency situations or to comply with an interruption request.

PRORATION ADJUSTMENTS

Charges for service supplied under this rate schedule, except the Customer Charge, are subject to proration adjustments.

NON-COMPLIANCE

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Noticed Interruptible Power Service is provided to the Customer with the explicit knowledge and understanding that such service shall be subject to curtailment by the customer with notice from the Company. Failure to comply with the Company's request to curtail shall result in the following adjustments to Customer billings and service:

- (1) During a calendar year, the first occasion in which the Customer fails to comply with a request for curtailment shall result in the customer being billed (or re-billed, if necessary) for the entire month at the retail rates currently in effect and otherwise applicable to the Customer ("Retail Rate"); and
- (2) During the same calendar year, the second occasion in which the Customer fails to comply with a request for curtailment shall result in the Customer re-billed at the Retail Rate for the period from January 1 of such calendar year through the end of the month in which such second failure occurred (less amounts previously remitted by Customer for such period) with an additional five percent (5%) charge applied to the additional base portion of the recalculated monthly bills (less amounts previously remitted by Customer for such period); and
- (3) During the same calendar year, the third occasion in which the Customer fails to comply with a request for curtailment shall result in the immediate termination of service under the Noticed Interruptible Service Rate, and the Customer will be served and billed for electric service for that entire month and thereafter at the Retail Rate. Additionally, the Customer will be re-billed at the Retail Rate for each month of such calendar year that was not previously billed or re-billed at the Retail Rate under this Non-Compliance provision, with an additional five percent (5%) charge applied to the additional base portion of the recalculated monthly bills (less amounts previously remitted by the Customer for such period).

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