EL PASO ELECTRIC COMPANY
THIRD REVISED RATE NO. 33
CANCELLING SECOND REVISED RATE NO. 33

NM REGULATION COMMISSION

X
X

SMALL SYSTEM RENEWABLE ENERGY CERTIFICATE PURCHASE

2011 DEC 28 PM 3: 15

APPLICABILITY:

This Small System Renewable Energy Certificate ("REC") Purchase Rate is available to customers owning renewable generation rated 10 kW or less pursuant to NMPRC Rule 570. Participation by type of renewable energy facility is subject to approvals of the NMPRC. Service under this schedule requires an executed Standard Interconnection Agreement for Qualifying Facilities 10 kW or Less and a completed Application to Participate in Purchase Program for Small System Renewable Energy Certificates.

TERRITORY:

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

DEFINITIONS:

Small System Renewable Energy Certificate, or Small System REC, is a document proving that the renewable energy, in kilowatt hours, has been generated from a renewable generating facility. Small System RECs are measured in the same units as the energy generated.

A REC meter is a separate meter measuring the energy output of the Customer's renewable resource distributed generation.

TERMS OF SERVICE:

Small System RECs will be purchased by the Company on a monthly basis for energy generated by the Customer's renewable distributed generation facility and measured by a separate REC meter as recorded at the time of the monthly meter reading.

Customer is responsible for installing the REC meter can/base, identified and labeled as "REC Meter". The REC meter base shall be physically located near the Company's billing meter. The Company will provide and install the metering for the REC socket/meter box.

If the ownership of the property on which the system is located is transferred, the new owner of the property may opt in under the same terms of the REC program as the original installation. The term of the agreement, after the original installation, shall expire December 31, 2020 for all new REC Purchase Programs contracts beginning on or after January 1, 2012. X X

In order to qualify for participation in the current tier incentive program, participants must meet the following requirements before the end of the applicable period for the specified tier: X X

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REPLACED BY NMPRC
BY Final order Case # 11-00263-UT

Advice Notice No. 223

Signature/Title

David G. Carpenter
Senior Vice President-Chief Financial Officer

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1. Complete and submit the Application for Sale of Small System Renewable Energy Certificates, including submission of full payment of the application fee. X
2. Provide the Company a fully executed Interconnection Agreement. X
3. Provide the Company an affidavit or other document which certifies the generating facilities meet the criteria of a Qualifying Facility contained in the Federal Energy Regulatory Commission's regulations, 18 C.F.R. Section 292.203, and as defined in 17.9.570 NMAC. X
4. The system must be completely installed and inspected by the Company within 6 months of the end of the Applicable Period for Tiers 1 through 4 below. X X
5. For systems participating in Tier 5 below, the system must be completely installed and inspected within 6 months of the Company's receipt of a completed application. X X
6. The Company will notify the applicant within 10 business days from receipt of application whether the application is complete; if the application is not complete, the Company will provide an explanation of what is needed to complete the application. X X X
7. The applicant will have 10 business days from receipt of notification that the application is incomplete to complete the application; if not completed within 10 business days, the application will be deemed withdrawn. X X X

MONTHLY PURCHASE RATES: X

Small System Renewable Energy Certificate (REC) Purchase

For contracts for solar systems (10 kW and less) effective on or after January 1, 2012: X

Tier	Period	Per kWh	X X
Tier 1	1/1/2012 – 6/30/2012	$0.10	X
Tier 2	7/1/2012 – 12/31/2012	$0.08	X
Tier 3	1/1/2013 – 6/30/2013	$0.06	X
Tier 4	7/1/2013 – 12/31/2013	$0.04	X
Tier 5	1/1/2014 – until otherwise ordered by the Commission	$0.02	X X

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SMALL SYSTEM RENEWABLE ENERGY CERTIFICATE PURCHASE

For contracts for wind turbine systems (10 kW and less) effective on or after January 1, 2012:

Tier	Period	Per kWh
Tier 1	1/1/2012 – 6/30/2012	$0.06
Tier 2	7/1/2012 – 12/31/2012	$0.05
Tier 3	1/1/2013 – 6/30/2013	$0.04
Tier 4	7/1/2013 – 12/31/2013	$0.03
Tier 5	1/1/2014 – until otherwise ordered by the Commission	$0.02

These rates will be applicable for a period of up to eight (8) years, with a common termination date of December 31, 2020, from the initiation of service pursuant to these rates for all contracts effective on or after January 1, 2012.

ACCESSIBILITY:

Equipment used to meter Small System RECs must be physically accessible as specified by the Company. The meter socket/meter box shall be installed in accordance to the Company's Rules and Regulations, identified and labeled "REC Meter", and located near the Company's billing meter.

TERMS OF PAYMENT:

Small System REC payments to the Customer will commence in the billing period after the execution of a Standard Interconnection Agreement and after the process of the Application to Participate in Purchase Program for Small System Renewable Energy Certificates is completed. The Customer will receive monthly information on their monthly electric bill documenting the kWh generated by their renewable distributed generation system, the RECs purchased at the Purchase Rate and the payment for RECs during the billing period.

Small System REC purchase payments will normally be applied as a credit to Customer monthly bills. If the amount paid for the Small System RECs is more than the total of the Customer's monthly bill by up to $30.00, the resulting credit will be carried forward to be applied toward the following month's bill. If the Small System REC payment balance results in a customer credit above $30.00, that balance will be paid directly to the Customer.

The Company's Rules and Regulations apply to service under this rate.

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