EL PASO ELECTRIC COMPANY

SCHEDULE NO. 45 SUPPLEMENTARY POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

APPLICABILITY

This rate is available to qualifying facilities and to customers taking service from a third party qualifying facility which qualifies as a small power production and 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.

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

The facility may be connected for (1) parallel operation with the Company's service, or (2) isolated operation with Supplementary Power Service provided by the Company by means of a double-throw switch.

TERRITORY

Texas Service Area

TYPE OF SERVICE

All service will be taken at one point of delivery designated by the Company and at one of the Company's standard types of service. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

Supplementary power means electric energy and/or capacity regularly used by a Customer of the Company in addition to the energy and capacity supplied by a qualifying facility.

SUPPLEMENTARY POWER SERVICE RATE

The Supplementary Power Service Rate shall be the retail rates currently in effect and applicable to the Customer having power requirements equal to the supplementary power requirements of the qualifying facility.

PUBLIC UTILITY COMMISSION OF TEXAS

APPROVED

COMMON PROVISIONS

Interconnection Charge:		JUL 30'10 DOCKET 37690
		CONTROL#
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EL PASO ELECTRIC COMPANY

SCHEDULE NO. 45 SUPPLEMENTARY POWER SERVICE FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

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, engineering and administrative costs incurred by the Company related to the installation of the physical facilities necessary to permit interconnected operations with a qualifying facility, to the extent such costs are in excess of the costs that the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy or capacity itself or purchased an equivalent amount of electric energy or capacity from other sources.

The Company shall provide a detailed estimate of the cost of interconnection within thirty (30) days of receipt of the approved written application for interconnection. The Customer shall pay the full amount of the estimated interconnection costs at the time notice to interconnect is provided to the Company.

Upon completion of the interconnection, the actual costs shall be computed by the Company and reimbursements to the appropriate party shall be made for any difference between the actual and estimated cost of interconnection. In addition, customers with a design capacity greater than 100 kW shall pay an annual charge of 5.3178% 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 related taxes, depreciation expense, and operation and maintenance expenses. The annual charge of 5.3178% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

METERING EQUIPMENT

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.

PUBLIC UTI for meters and associated equipment used for billing and for load research.

POWER FACTOR ADJUSTMENT

Effective April 1, 2011, if the power factor at the time of the highest measured thirty (30)
minute interval kW demand for the entire plant is below 90% lagging, a power factor
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adjustment shall be calculated as follows:	PUBLIC UTILITY COMMISSION OF
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 $ADJ = ((kW \times .95 / PF) - kW) \times DC$, where

ADJ = Increase to applicable Demand Charge,

kW = Monthly Billing Demand,

PF = Monthly measured Power Factor, and

DC = Demand Charge.

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FIXED FUEL FACTOR

The above rates are subject to the provisions of the Company's Tariff Schedule No. 98 entitled Fixed Fuel Factor.

MILITARY BASE DISCOUNT RECOVERY FACTOR

The above rates are subject to the provisions of the Company's Tariff Schedule No. 96, entitled Military Base Discount Recovery Factor.

TERMS OF PAYMENT

The due date of the bill for utility service shall not be less than sixteen (16) days after issuance. A bill becomes delinquent if not received at the Company by the due date.

TERMS AND CONDITIONS

The Company's Rules and Regulations and the contract provisions shall apply under this rate schedule.

This rate shall be binding upon the Company and the Customer for a period conterminous with the interconnection agreement; provided, however, that the Customer may terminate service provided under this rate 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 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 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 described in the Customer's application for service.

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