

EL PASO ELECTRIC COMPANY

SCHEDULE NO. 46

**MAINTENANCE POWER SERVICE
FOR QUALIFYING FACILITIES**

APPLICABILITY

This rate schedule is available to Qualifying Facilities and to Customers taking service from a third party Qualifying Facility which qualifies as a small power production facility or a 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.

Maintenance power shall be available to Qualifying Facilities for a maximum period of sixty (60) days per year, coordinated with and scheduled outside of the designated peak months of the Company.

The 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 Maintenance Power Service provided by the Company by means of a double-throw switch.

This rate schedule is applicable to use of service for maintenance power service for energy and/or capacity supplied by the Company on a scheduled basis to Qualifying Facilities during an outage scheduled by the Customer for the purpose of performing maintenance to its Qualifying Facilities, subject to the special provisions of this rate schedule.

TERRITORY

Texas Service Area

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 one point of delivery designated by the Company. Electric energy will be measured by a single meter, or other measuring device, of each kind needed.

Maintenance power is defined as the electric energy and/or capacity supplied by the Company during scheduled outages of the Qualifying Facility, subject to the Special Provisions of this rate schedule

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MAINTENANCE POWER SERVICE RATE

Maintenance 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 charge shall apply for maintenance power taken during off-peak hours as defined in the retail rate schedule. No demand ratchets will apply to this service.

DELIVERY SERVICE CHARGE

A delivery service charge will be billed to the Customer during the months that neither Maintenance Power Service nor Backup Power Service is utilized by the Qualifying Facility. The delivery service charge shall be:

Delivery Service Charge Per kW of Contract Capacity	Connected Load Up To 600 kW	Connected Load In Excess of 600 kW
Secondary Delivery	\$7.85	\$7.25
Primary Delivery	\$5.45	\$5.52

The charge shall be less any Delivery Service Charges applied pursuant to the provisions of the Company's Rate Schedule No. 47, Backup Power Service for Qualifying Facilities or Rate Schedule No. 51, Interruptible Power Service for Qualifying Facilities, but not less than zero \$0.

DETERMINATION OF DEMAND CHARGE

The Maintenance Power Service demand charge shall be determined by multiplying the applicable retail rate schedule demand charge by the ratio of the number of weekdays in which the Maintenance Power was taken to the number of weekdays in the billing month.

DETERMINATION OF CONTRACT CAPACITY

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

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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 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 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 after the Company approved the written application for interconnection pursuant to § 25.242(f)(1)(B) of PUCT Substantive rules. 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 of interconnection shall be computed by the Company and reimbursements for the difference between the actual and estimated cost of interconnection shall be made to the appropriate party.

In addition, customers with a design capacity greater than 100 kW shall pay an annual charge of 4.6307% 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 4.6307% is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

METERING EQUIPMENT AND FACILITIES

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.

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POWER FACTOR ADJUSTMENT

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

ADJ = $((kW \times .95 / PF) - kW) \times DC$, where
ADJ = Increase to applicable Demand Charge,
kW = Maximum Demand,
PF = Monthly measured Power Factor, and
DC = Demand Charge

FIXED FUEL FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 98 (Fixed Fuel Factor).

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 the provisions of those riders.

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. If the due date falls on a holiday or weekend, the next Company business day shall apply.

TERMS AND CONDITIONS

Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the Public Utility Commission of Texas and available for inspection at Company offices. The contract provisions applicable to service under this rate schedule shall also apply.

This rate schedule 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 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

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of this rate schedule or the termination by the 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.

PRORATION ADJUSTMENTS

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

SPECIAL PROVISIONS

- A. All Maintenance Power service supplied by the Company that has not been scheduled with the Company and approved by the Company through prior written notice shall be billed under the provisions of Backup Power Service. If this situation occurs more than twice during any consecutive six (6) month period, the Customer shall be required to contract for Backup Power Service in the event that the Customer previously had not contracted for such service.
- B. In the event maintenance occurs during the months of May through October or exceeds a maximum of sixty (60) days in aggregate, the total per calendar year, unless it is agreed to extend Maintenance Power Service, by written request by the Customer and written consent of the Company, such excess use of capacity will be billed as Supplementary Power Service.
- C. A Qualifying Facility shall schedule its maintenance by giving the Company advance notice on the length of the outage as follows:

<u>Pre-Scheduled Maintenance Outage</u>	<u>Required Advanced Notice</u>
1 day or less	5 calendar days
2 to 5 days	30 calendar days
6 to 30 days	90 calendar days

Maintenance Power shall be available to Qualifying Facilities for a minimum period of thirty (30) days per year, coordinated with the Company and scheduled outside of the designated peak months of the Company.

- D. Maintenance Power Service requested during the months of May through October, that is scheduled in advance and agreed to by the Company, shall be billed according to the terms of Maintenance Power Service.