

EL PASO ELECTRIC COMPANY

SCHEDULE NO. CS
COMMUNITY SOLAR RATE

APPLICABILITY

This optional rate schedule is available to only Rate Schedule No. 1--Residential and Rate Schedule 02--Small General Service Customers without distributed generation. Customers taking retail service under other rate schedules that are taking service under this schedule (Schedule No. CS) at the time of the effective date of this tariff will be grandfathered and may continue to take service under this schedule until such time as another Community Solar rate schedule becomes available. Service under this rate schedule is limited to the amount of Community Solar generation available.

TERRITORY

Texas Service Area

TYPE OF SERVICE

"Community Solar Power" is defined as electric energy generated from EPE's Community Solar Power Facilities and made available to participating Customers who voluntarily subscribe to a specified capacity from Community Solar Power resources.

The amount of power subscribed to by the Customer shall be set out in an *Application for Voluntary Renewable Energy-Community Solar Rate*.

Customers are required to subscribe for a twelve (12) consecutive month period. The Customer may terminate their subscription at any time upon one month's notice to the Company after one year. The subscription will commence with the Customer's first billing cycle following Company acceptance of the subscription.

Customers may subscribe to Community Solar capacity from a minimum one (1) kilowatt (kW) up to a number of kilowatts (in half-kW increments) equal to the Customer's historical peak kW during the previous 12-month period. The number of kW allowed for subscription is determined at the time of enrollment. A Customer may subscribe to additional kW in subsequent contract years by submitting a new application for Company acceptance.

Participation by larger commercial and industrial customers served on Schedule 24 will be limited to a cumulative one (1) MW.

MONTHLY RATE FOR STANDARD COMMUNITY SOLAR SERVICE

The Customer must contract for a fixed capacity of not less than one (1) kW (and measured in half (0.5) kW increments) for a period of one (1) year, which will be renewed automatically annually unless the Customer sends a notice of termination. The monthly charge for subscribed capacity will be the total subscribed capacity multiplied by the per-kW Monthly

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Capacity Charge. The Monthly Capacity Charge reflects the levelized cost of the Solar Power Community facilities, including all capital and construction costs, land leases, operation and maintenance expenses, marketing and education expenses, taxes, and a return on investment at the Company's weighted average cost of capital as approved by the appropriate regulatory authority.

Subscribed Community Solar Power Capacity Charge	Per kW
All customers except Qualifying Low-Income Customers	\$15.14
For Qualifying Low-Income Customers	\$13.63

The System Generation Credit is determined by multiplying the sum of the applicable Base rate component for the Customer's applicable retail service rate and the currently applicable Texas fuel charge provided in Schedule FFF - Fixed Fuel Factor by the Customer's Solar Billing Energy.

Retail Service Schedule	Per kWh
Schedule No. 01 – Residential Service	(\$0.056333)
Schedule No. 02 – Small General Service	(\$0.050115)
Schedule No. 24 – General Service (Closed)	(\$0.040155)

DETERMINATION OF SOLAR BILLING ENERGY (KWH)

The Customer's kilowatt hours (kWh) for purposes of calculating the applicable System Generation Credit will be determined by multiplying the ratio of the Customer's kW subscription to the total Community Solar Power facilities' kW capacity times the monthly metered kWh production output of the Community Solar Power facilities.

The Monthly Capacity Charge and System Generation Credit will appear on the participating Customer's monthly bill beginning one full regular billing cycle after initiation of service on this schedule.

COMPANY'S RIGHT TO EARLY TERMINATION DUE TO LACK OF SUBSCRIBERSHIP:

1. If the program is not fully subscribed at any time after September 1, 2018, the Company, within its sole discretion, may allow a single customer to purchase all of the output or all of the remaining output from the facilities; and
2. If less than 90% of the program's capacity is subscribed by September 1, 2018, and within five (5) years thereafter, the Company may terminate the program and close this rate schedule on notice to the Commission and any subscribing Customers. Such notice will be subject to review by the Public Utility Commission of Texas (Commission) Staff for compliance with the Public Utility Regulatory Act (PURA), the Commission's rules, and the Stipulation and Order in Docket No. 44800. In the event the Company elects to close this

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rate schedule pursuant to this provision, each subscriber will receive thirty (30) days' notice and EPE will discontinue month-to-month program operation.

TERMS AND CONDITIONS:

Service under this rate schedule is subject to the Company's Rules and Regulations on file with the Commission and available for inspection at Company offices. The provisions of any contract associated with service under this rate schedule are also applicable.

1. Subscription of kW will be offered to Customers by the Company as it becomes available for subscription on a first-come, first-serve basis until full subscription is reached.
2. The Community Solar Capacity Charge and System Generation Credit are pursuant to the Customer's subscription and are in addition to the Customer's monthly billings pursuant to the Customer's currently applicable standard retail rate schedule. The Customer will continue to be billed for their monthly usage under their applicable standard rate schedule.
3. All terms and conditions of the Customer's applicable standard rate schedule apply to service received under this rate schedule.
4. The Company retains the right to deny or terminate service under this rate schedule to any Customer in arrears with the Company.
5. Customers will be enrolled for a 12-month enrollment period and will be automatically reenrolled for successive 12-month enrollment periods in the Community Solar program upon the expiration of each 12-month enrollment period unless the Customer terminates participation with one month notice. Customers may terminate participation in the Community Solar program at any time after the initial 12-month enrollment period, irrespective of the automatic re-enrollment for a 12-month period, upon giving a one month's notice of termination of participation. Notification may be written, in person, by telephone, or other means acceptable to the Company. Termination of the subscription will be effective with the monthly billing cycle after notification to the Company.
6. Customers may modify their subscribed capacity at the initiation of any 12-month subscription period, subject to availability.
7. Customers electing to end participation prior to the completion of any 12-month enrollment period will not be eligible to re-enroll in the Community Solar program for twelve (12) months.
8. Participating Customers relocating within the Company's Texas service territory may transfer existing subscriptions and associated energy to service at their new service location.

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9. The Company will retain ownership of the Renewable Energy Certificates, as defined in PUC Subst. §25.173(c)(13), associated with the energy produced by the Community Solar facilities.
10. The Company will hold harmless subscribing Customers if the facilities do not operate as warranted resulting in the Company making a warranty claim, except that if the facility continues to malfunction for a period of more than six (6) continuous months or if it is determined by the Company that the facility is only operable at a significant level below the originally expected level of production, the Company may terminate this rate schedule upon thirty (30) days' notice.
- As part of its annual report to subscribers, the Company will explain the status of any warranty claims, and if a claim has been made, how the Company compensated subscribers for the lesser production.
11. The Company is not obligated to hold customers harmless in the event that lesser production is a result of weather conditions including reduced sunshine.
12. In the event that EPE implements a fuel refund or fuel surcharge, the fuel refund or fuel surcharge factor will apply only for metered energy net of Community Solar energy provided to Community Solar Customers on a monthly basis pursuant to Docket No. 51831. The refund or surcharge factor does not apply to energy supplied from the Community Solar facility.
13. If any of the facilities dedicated to Community Solar are performing at levels below expectations, the Company in its sole discretion may reduce the amount of solar capacity available for subscription. If necessary, the most recent subscriptions can be suspended.
14. The Company will have the right to suspend a monthly bill for both the subscription charges and generation credits under this rate schedule if the facility is taken out of service for more than 20 days for purposes of the program.