

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF EL PASO ELECTRIC)
COMPANY'S APPLICATION FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY FOR A TWO-MW SOLAR)
POWER GENERATION FACILITY AND)
APPROVAL OF A VOLUNTARY COMMUNITY)
SOLAR PROGRAM)**

Case No. 18-000⁹⁹-UT

**EL PASO ELECTRIC COMPANY,)
Applicant.)**

**APPLICATION FOR APPROVAL FOR OF A CERTIFICATE OF CONVENIENCE
AND NECESSITY FOR A NEW MEXICO COMMUNITY SOLAR FACILITY AND A
VOLUNTARY COMMUNITY SOLAR PROGRAM**

El Paso Electric Company (“EPE” or “Company”), in accordance with the New Mexico Renewable Energy Act (“REA”), NMSA 1978, Section 62-16-7(B); Rule 17.9.572.18 of the New Mexico Administrative Code (“NMAC”); the New Mexico Public Utility Act (“NMPUA”), NMSA 1978; Sections 62-9-1, 62-9-6, and 62-8-7 and Rule 17.1.210.11 NMAC, hereby files with the New Mexico Public Regulation Commission (“NMPRC” or “Commission”) this Application for approval of a voluntary Community Solar Program for EPE’s New Mexico jurisdiction customers (“Program”), contingent upon approval of a Certificate of Public Convenience and Necessity (“CCN”), and all necessary regulatory approvals for EPE to implement the proposed Program (the “Application”). Specifically, EPE requests a CCN to construct, own, and operate a 2.0 megawatt (“MWAc”) New Mexico Community Solar Facility (“NMCSF”) located in Doña Ana County to supply energy to the proposed voluntary renewable energy Program. EPE does not seek base rate recovery of the cost of the NMCSF; rather customers who elect to participate in the voluntary Program will pay the full cost of the facility. If construction of the proposed facility begins before December 31, 2019 and the facility is in service before December 31, 2023, the NMSCF will qualify for an applicable 30 percent Investment Tax Credit (“ITC”) benefit resulting in reduced Program costs. Contingent upon

approval of the requested CCN, EPE also seeks approval of the proposed Program pursuant to the terms and conditions of Original Rate No. 40 - New Mexico Community Solar Program Rate ("Rate No. 40"). The Application is supported by the direct testimonies of James A. Schichtl, EPE Vice President of Regulatory Affairs; Richard E. Turner, EPE Vice President of Renewables Development; and Adrian Hernandez, EPE Senior Rate Analyst, filed concurrently with this Application. EPE's Advice Notice No. 256 requesting approval of Rate No. 40 effective May 24, 2018 is being filed concurrently with this Application. Pursuant to NMSA 1978, Section 62-9-1(C), the Commission may approve the requested CCN without a formal hearing if no protest is filed within sixty days of the date of notice provided by Commission order.

If approved, and subject to the timing of approval, the NMCSF is scheduled to go into service in late 2018. In support, EPE respectfully shows as follows:

1. EPE is a public utility subject to the jurisdiction of the Commission under the NMPUA and is the New Mexico certificated provider of retail electric service in its designated service territory.

2. EPE provides retail electric service to approximately 90,000 customers within its New Mexico service territory.

3. EPE seeks approval of a CCN for the NMCSF in order to supply renewable energy to New Mexico customers who elect to participate in EPE's proposed, voluntary Program.

4. EPE does not seek rate recovery for the NMCSF through base rates from its New Mexico customers, rather all facility costs will be paid by customers who elect to subscribe to the voluntary Program; and, accordingly, EPE's request for approval of the Program is contingent upon Commission approval of the requested CCN.

5. The estimated capital cost for the project is \$4.52 million, which does not reflect the applicable 30 percent ITC that the NMCSF will be eligible for if construction begins prior to December 31, 2019, and is completed by December 31, 2023.

6. Total Program costs, in addition to estimated capital costs, include \$2.6 million for facility operations and maintenance and other expenses, including first-year costs to implement the Program through customer outreach and education.

7. Total Program costs will be recovered from New Mexico customers who elect to participate in the voluntary community solar program through a proposed Solar Capacity Charge estimated to be \$18.55 per kW. A ten percent discounted capacity charge will be available to qualifying low-income customers for subscriptions up to ten percent of the NMCSF, estimated at \$16.52 per kW.

8. Additionally, EPE is seeking approval of a System Generation Credit applicable for the energy produced by participating customer's subscribed Community Solar capacity to be included on participating customers' bill. In addition, EPE requests approval to treat any unsubscribed energy as a Rate 16 avoided energy cost purchase to be supplied to all customers and reflected in the normal operation of EPE's fuel and purchased power cost adjustment clause ("FPPCAC").

9. EPE's supporting testimony and exhibits demonstrate that the NMCSF and Program is responsive to the desire of retail customers for renewable energy options, will help meet certain renewable energy goals in New Mexico, and will be paid for by participating Program customers.

10. The filing of Rate No. 40 does not constitute the filing of a general rate case and the terms, conditions, solar capacity charges, and generation credits of EPE's proposed Community Solar program set forth in proposed Rate No. 40 will only be offered to customers that voluntarily enroll in EPE's proposed Program. Implementation and application of the

proposed tariff will not affect the rates charged to EPE's other, non-subscribing, retail customers. For these reasons, and to the extent required, EPE requests a variance from the minimum data standard requirements set out in Rule 17.3.530 NMAC. Compliance with such requirements is not required or appropriate in light of the limited and specialized character of the proposed tariff.

11. Pursuant to Rule 17.1.2.10.B(1) NMAC, EPE is filing Advice Notice No. 256 concurrently with this Application. In addition, a Proposed Form of Notice to Customers, as required by Rule 17.1.2.10.B(2) NMAC, is attached hereto as Attachment A. The Proposed Form of Notice to Customers does not contain a comparison with present rates because of the limited character and applicability of the proposed tariff. To the extent required, EPE requests a variance from the requirements of Rules 17.2.3.10.B(2)(b) and 17.1.2.10.C(2)(a) through (d) NMAC.

12. EPE is filing Advice Notice No. 256 concurrently with this Application and with the supporting direct testimonies and exhibits, which are incorporated herein by reference. A copy of EPE's Advice Notice No. 256, Table of Contents, and Original Rate No. 40 is attached hereto as Attachment B.

13. Service of all notices, pleadings and other documents related to this Application should be made as follows:

Judith M. Parsons,
Regulatory Case Manager
El Paso Electric Company
100 N. Stanton Street
El Paso, Texas 79901
(915) 553-5777
(915) 521-4450 [fax]

Nancy Burns
Senior Attorney
El Paso Electric Company
300 Galisteo Street, Suite 206
Santa Fe, NM 87501
(505) 982-4147

Electronic service should be made as follows: judith.parsons@epelectric.com;
nancy.burns@epelectric.com; carol@thejonesfirm.com; patricia.griego@epelectric.com.

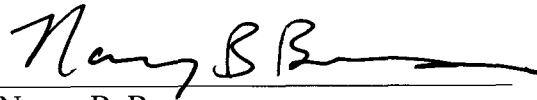
14. As indicated on the Certificate of Service attached hereto, EPE has mailed a copy of its Application and supporting direct testimonies and exhibits and Advice Notice No. 256 to parties to EPE's most recent general rate case (NMPRC Case No. 15-00127-UT).

15. EPE requests, if no protests are filed within sixty days of the date of notice, that the Commission approve EPE's Application without a formal hearing, but in any event requests that this matter be concluded by August 1, 2018.

WHEREFORE, EPE respectfully requests that the Commission, after such notice and hearing as it deems necessary, issue a Final Order in this case that:

- A. Approves a CCN for the construction and operation of the NMCSF;
- B. Approves EPE's proposed, voluntary New Mexico Community Solar program and Original Rate No. 40 as just and reasonable and consistent with the public interest;
- C. Approves the costs of the New Mexico Solar Community Facility and Program for recovery through EPE's Original Rate No. 40;
- D. Provides that all of the costs of the NMCSF and Program be paid by participating customers and that no costs shall be included in EPE's New Mexico base rates;
- E. Authorizes EPE to supply any un-subscribed energy from the NMCSF to its New Mexico Customers at EPE's Rate 16 avoided cost of energy and to recover those costs through its FPPCAC; and
- F. Grants such other approvals, authorizations and relief as may be necessary or appropriate.

Respectfully submitted,



Nancy B. Burns
Senior Attorney
El Paso Electric Company
300 Galisteo Street, Suite 206
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**ATTORNEYS FOR EL PASO ELECTRIC
COMPANY**

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF EL PASO ELECTRIC)
COMPANY'S APPLICATION FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE)
AND NECESSITY FOR A TWO-MW SOLAR)
POWER GENERATION FACILITY AND)
APPROVAL OF A VOLUNTARY COMMUNITY)
SOLAR PROGRAM) Case No. 18-000⁹⁹-UT
)
EL PASO ELECTRIC COMPANY,)
Applicant.)
_____)

NOTICE TO EPE CUSTOMERS

NOTICE is hereby given of the following matters pertaining to the above captioned case pending before the New Mexico Public Regulation Commission ("Commission" or "NMPRC"):

On April 24, 2018, El Paso Electric Company ("EPE" or "Company"), in accordance with the New Mexico Renewable Energy Act ("REA"), NMSA 1978, Section 62-16-7(B); Rule 17.9.572.18 of the New Mexico Administrative Code ("NMAC"); the New Mexico Public Utility Act ("NMPUA"), NMSA 1978, Sections 62-9-1, 62-9-6 and 62-8-7; and Rule 17.1.210.11 NMAC, filed its Application for approval of a voluntary Community Solar Program for EPE's New Mexico jurisdiction customers ("Program"); a Certificate of Public Convenience and Necessity ("CCN") to construct, own and operate a 2.0 megawatt ("MW_{AC}") New Mexico Community Solar Facility ("NMCSF") located in Doña Ana County to supply energy to the proposed New Mexico Community Solar Program; and all necessary regulatory approvals for EPE to implement the proposed Program (the "Application"). Concurrent with the Application, EPE submitted with the Commission's Records Bureau its Original Rate No. 40-Community Solar Rate ("Community Solar tariff"), setting forth the rates, terms and conditions of EPE's proposed New Mexico Community Solar Program, which would be

made available to New Mexico customers after commercial operation of the proposed NMCSF, planned for the fourth quarter of 2018.

The Application states EPE does not seek base rate recovery of the cost of the NMCSF; rather customers who elect to participate in the Program will pay the full cost of the facility, and other Program costs, through the proposed Community Solar tariff. If construction of the proposed facility begins before December 31, 2019 and the facility is in service before December 31, 2023, the NMCSF will qualify for an applicable 30 percent Investment Tax Credit (“ITC”) benefit resulting in reduced program costs for program participants. The Community Solar Program will allow New Mexico customers access to additional renewable energy resources that would otherwise not be available to meet individual customers’ desire to support or promote renewable energy in general.

Under EPE’s proposal, participating customers would continue to receive a bill for their metered consumption under their applicable retail tariff. Participating customers would also be billed monthly for their subscribed capacity at the tariffed Community Solar Capacity Charge, and credited monthly through a System Generation Credit for the energy produced by their subscribed capacity at the class average generation rate also included in the proposed Community Solar Program tariff.

Key provisions of the proposed New Mexico Community Solar Program included:

- Availability on a first-come, first-served basis to customers without distributed generation that take service under Rate 01, Residential; Rate 02, Small General Service; Rate 04, General Service; and Rate 07, City and County Service;
- a Solar Capacity Subscription Charge of \$18.55 per kW;
- a 10 percent Discounted Solar Capacity Subscription Charge of \$16.52 per kW for qualifying low-income customers for subscriptions up to ten percent of the

NMCSF;

- a System Generation Credit for Program participants' subscribed NMCSF generation;
- a minimum 1 kW fixed-capacity subscription, and additional kW's in half kW increments, up to the customer's historic spring peak kW during the previous 12-month period, for a 12 month commitment period;
- no penalty for early Program termination; and
- transfer of subscription to new service location within the Company's service territory.

EPE also proposes to treat any unsubscribed energy as a Rate 16 avoided energy cost purchase to be supplied to all customers and reflected in the normal operation of EPE's fuel and purchased power cost adjustment clause ("FPPCAC").

The estimated capital cost for the project is \$4.52 million, which does not reflect the applicable 30 percent ITC that the NMCSF will be eligible for if construction begins prior to December 31, 2019, and is completed by December 31, 2023. Total Program costs, in addition to estimated capital costs, include \$2.6 million for facility operations and maintenance and other expenses, including first-year costs to implement the Program through EPE's customer outreach plan and education.

EPE requests that the Commission approve its Application and specifically seeks the following:

(A) Approval of the proposed voluntary Community Solar Program and Original Rate No. 40 – Community Solar Rate, filed concurrently with the Application as EPE's Advice Notice No. 256.

(B) Contingent upon approval of the proposed Program, approval of a CCN to

construct, own and operate the NMCSF, a 2.0 MW_{AC} ground-mounted solar photovoltaic ("PV") generating facility that will be located near Las Cruces, New Mexico, and used to supply renewable energy for the Community Solar Program.

(C) Approval of the costs of the New Mexico Solar Community Facility and Program for recovery through EPE's Original Rate No. 40.

(D) Approval for EPE to supply any unsubscribed energy from the NMCSF to its New Mexico Customers at EPE's Rate 16 avoided cost of energy and to recover those costs through its FPPCAC.

(E) Variances from Rule 17.3.530 NMAC and from the requirements of Rules 17.2.3.10.B(2)(b) and 17.1.2.10.C(2)(a) through (d) NMAC, to the extent applicable.

(F) All other approvals required to implement the proposed New Mexico Community Solar Program.

This case has been docketed as Case No. 18-000____-UT, and any inquiries should be referred to that number.

Any interested person may inspect EPE's Application through the Case *Lookup EdoCKET* on the Commission's Website at <http://164.64.85.108/> and in person at the following places:

El Paso Electric Company
201 N. Water Street
Las Cruces, NM 88001

Phone (575) 526-5551

Public Regulation Commission
Records Department
1120 Paseo de Peralta, Room 406
Santa Fe, NM 87504

The procedural schedule for this case is as follows:

1. Any person desiring to intervene in the proceeding must file a Motion to intervene pursuant to 1.2.2.23 NMAC on or before June __, 2018.
2. The Commission's Utility Division Staff shall, and any intervenor may,

file direct testimony on or before June __, 2017.

3. Any rebuttal testimony shall be filed on or before July __, 2017.

4. Any person whose testimony has been filed shall attend the hearing and submit to examination under oath.

5. A public hearing to hear and receive testimony, exhibits, arguments, and any other appropriate matters relevant to this proceeding is set to commence at 9:30 a.m. on August __, 2018 and continue if necessary through August __, 2018. The Hearing will be held in the Ground Floor Board Room of the P.E.R.A. Building at 1120 Paseo de Peralta in Santa Fe, New Mexico. The hearing may be vacated if deemed not required under NMSA 1978, § 62-9-1(C) (2005); in such case, the Commission will take public comment and dispose of the Application at an Open Meeting.

Any interested person should contact the Commission for confirmation of the hearing date, time, and place since hearings are occasionally rescheduled.

Any interested person may appear at the public hearing and give a written or oral comment pursuant to the Commission's Utility Division Rules of Procedure 1.2.2.23(F) NMAC without becoming an intervenor. Comments will not be considered as evidence in this case. Interested persons may also file written comments, which shall make reference to NMPRC Case No. 18-000__-UT, at the following address:

New Mexico Public Regulation Commission
Records Department
1120 Paseo de Peralta
PO Box 1269
Santa Fe, New Mexico 87501-1269

The Commission's Utility Division Procedures 1.2.2 NMAC apply to this case, except as modified by Order of the Commission or the Hearing Examiner, and they

are available at the Commission's Website at <http://164.64.110.239/nmac/titles.htm>.

Anyone filing pleadings, documents, or testimony in this case shall serve copies thereof on all parties of record and Staff via email and first class U.S mail. Any such filings shall also be sent to the Hearing Examiner by email at _____. All pleadings shall be emailed on the date they are filed with the Commission.

Any person with a disability requiring special assistance to participate in this proceeding should contact the Commission at 1-888-427-5772 at least 24 hours prior to the hearing.

The procedural dates and requirements provided herein are subject to further order of the Commission or Hearing Examiner.

I S S U E D at Santa Fe, New Mexico this ____ day of April, 2018.

NEW MEXICO PUBLIC REGULATION COMMISSION

Hearing Examiner

EL PASO ELECTRIC COMPANY

ADVICE NOTICE NO. 256

PAGE 1 OF 1

**NEW MEXICO PUBLIC REGULATION COMMISSION
OF THE STATE OF NEW MEXICO**

El Paso Electric Company (EPE) hereby gives notice to the public and the Commission of the filing and publishing of the following changes in its Rates, which are attached hereto:

RATES

Rate Number	Title of Rate	Cancelling Rate Number	Date Effective
Original Rate 40	Community Solar Rate		05/24/2018

Advice Notice No. 256

Signature/Title 

James Schichtl
Vice President-Regulatory Affairs

EL PASO ELECTRIC COMPANY
REVISED TABLE OF CONTENTS

RATE SCHEDULES

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<u>Rate Schedule Number</u>	<u>Title</u>
11 th Revised Rate 1	Residential Service Rate
13 th Revised Rate 3	Small General Service Rate
13 th Revised Rate 4	General Service Rate
14 th Revised Rate 5	Irrigation Service Rate
10 th Revised Rate 7	City and County Service Rate
11 th Revised Rate 8	Water, Sewage, Storm Sewage Pumping or Sewage Disposal Rate
11 th Revised Rate 9	Large Power Service Rate
13 th Revised Rate 10	Military Research and Development Power Rate
12 th Revised Rate 11	Street Lighting Service Rate
12 th Revised Rate 12	Private Area Lighting Rate
8 th Revised Rate 15	Miscellaneous Service Charges
36 th Revised Rate 16	Purchased Power Service
9 th Revised Rate 17	Efficient Use of Energy Recovery Factor (EUERF)
19 th Revised Rate 18	FPPCAC
10 th Revised Rate 19	Seasonal Agriculture Processing Service Rate
10 th Revised Rate 21	Supplementary Power Service Cogeneration and Small Power Production Facilities
10 th Revised Rate 22	Backup Power Service Cogeneration and Small Power Production

Advice Notice No. 256

Signature/Title 
James Schichtl
Vice President – Regulatory Affairs

EL PASO ELECTRIC COMPANY
REVISED TABLE OF CONTENTS

RATE SCHEDULES

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	Facilities
10 th Revised Rate 23	Maintenance Power Service Cogeneration and Small Power Production Facilities
10 th Revised Rate 24	Curtailable Power Service Cogeneration and Small Power Production Facilities
8 th Revised Rate 25	Outdoor Recreational Lighting Service Rate
7 th Revised Rate 26	State University Service Rate
5 th Revised Rate 29	Noticed Interruptible Service for Rate Large Power Service
6 th Revised Rate 30	Load Retention Rate
ORIGINAL RATE 31	Economic Development Rate
3 rd Revised Rate 32	Voluntary Renewable Energy Rate
5 th Revised Rate 33	Small System Renewable Energy Certificate Purchase
4 th Revised Rate 34	Medium System Renewable Energy Certificate Purchase
2 nd Revised Rate 35	Large System Renewable Energy Certificate Purchase
Original Rate 37	eSmart Thermostat Program Rate
Original Rate 38	Renewable Portfolio Standard (RPS) Cost Rider
Original Rate 39	Economic Development Rate
Original Rate 41	Federal Tax Credit Factor (FTCF)
Original Rate 40	Community Solar Rate

XX

Advice Notice No. 256

Signature/Title 

James Schichtl
Vice President – Regulatory Affairs

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 40

X

COMMUNITY SOLAR RATE

X

Page 1 of 4

APPLICABILITY:

This optional rate schedule is available to Customers without distributed generation and that take service under one of the Retail Service Rates listed under the Monthly Rate provision. Service under this rate schedule cannot be provided until the commercial operation of the two megawatt (MW) solar power facility being constructed for this program, to be located at the Company's New Mexico Community Solar Facility. 200 kilowatts (kW) of the Solar Power Facility program shall be reserved for customers who qualify as low income under federal poverty guidelines.

TERRITORY:

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

TYPE OF SERVICE:

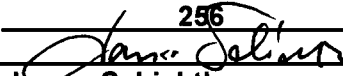
"Community Solar Power" is defined as electric energy generated by means of Company-owned solar generation technology facility, and made available to participating Customers who voluntarily subscribe to a specified capacity from community solar power resources.

The amount of power subscribed by the Customer shall be set out in a subscription form for Community Solar Rate. The Customer is required to subscribe at their selected capacity for a twelve (12) consecutive month subscription period.

Customers may subscribe to Community Solar capacity from a minimum one (1) 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.

MONTHLY RATE

The Customer must commit to 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. The monthly charge for subscribed capacity will be the total subscribed capacity multiplied by the per kW Monthly Capacity Charge.

Advice Notice No. 256
Signature/Title 
James Schichtl
Vice President – Regulatory Affairs

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 40

X

COMMUNITY SOLAR RATE

X

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COMMUNITY SOLAR CAPACITY CHARGE

Community Solar Capacity Charge	Per kW
Monthly Capacity Charge	\$18.55
Low Income - Monthly Capacity Charge*	\$16.52

SYSTEM GENERATION CREDIT

The System Generation Credit is determined by multiplying the sum of the applicable Base Generation Rate for the Customer's applicable retail service rate and the currently applicable fuel charge provided in New Mexico FPPCAC Rate No. 18 and RPS Cost Rider Rate No. 38 by the Customer's Solar Billing Energy.

Retail Service Rates	Base Generation Rate Per kWh
Rate 01 Residential	(\$0.039429)
Rate 03 Small General Service	(\$0.047491)
Rate 04 General Service	(\$0.039092)
Rate 07 City / County Service	(\$0.035210)

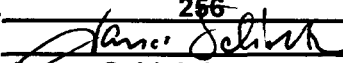
DETERMINATION OF SOLAR BILLING ENERGY (KWH)

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 Facility's kW capacity times the monthly metered kWh production output of the Community Solar Facility.

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.

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

Advice Notice No. 256
 Signature/Title 
 James Schichtl
 Vice President – Regulatory Affairs

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 40

X

COMMUNITY SOLAR RATE

X

Page 3 of 4

levied 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.

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 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.

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 subscription will commence with the Customer's first billing cycle following Company acceptance of the subscription.
3. 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.
4. All terms and conditions of the Customer's applicable standard rate schedule apply to service received under this rate schedule.
5. The Company retains the right to deny or terminate service under this rate schedule to any Customer in arrears with the Company.
6. Customers will remain subscribed on a month-to-month basis in the Community Solar program upon the expiration of the initial 12-month subscription period unless the Customer terminates participation with one month notice. 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 has been acknowledged by the Company.
7. Customers electing to end participation will no longer be billed

Advice Notice No. _____
Signature/Title James Schichtl ²⁵⁶
James Schichtl
Vice President – Regulatory Affairs

EL PASO ELECTRIC COMPANY

ORIGINAL RATE NO. 40 X

COMMUNITY SOLAR RATE X

Page 4 of 4

8. Customers electing to end participation prior to the completion of any 12 month enrollment period may not be eligible to re-enroll in the Community Solar program for twelve (12) months
9. Upon expiration of a subscription period, Customers may modify their subscribed capacity for an additional 12-month subscription period, subject to availability.
10. Participating Customers relocating within the Company's New Mexico service territory may transfer existing subscriptions and associated energy to service at their new service location.
11. The Company will retain ownership of the Renewable Energy Certificates associated with the energy produced by the Community Solar Facility.
12. The Company will hold harmless subscribing Customers if the facility does 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.
13. The Company is not obligated to hold customers harmless in the event that lesser production is a result of weather conditions including reduced sunshine.

Advice Notice No. 258
Signature/Title 
James Schichtl
Vice President – Regulatory Affairs