## **EL PASO ELECTRIC COMPANY**

# **TENTH REVISED RATE NO. 22 CANCELLING NINTH REVISED RATE NO. 22**

X

# **BACKUP POWER SERVICE** COGENERATION AND SMALL POWER PRODUCTION FACILITIES

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### APPLICABILITY:

This rate schedule is applicable to qualifying facilities and to third party Customers of qualifying X facilities who qualify as small power production and cogeneration facilities 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.

This rate schedule is applicable to use of service for backup power service for energy and/or Χ capacity supplied by the Company during an unscheduled outage at a facility qualifying as a "Small Power Production Facility" or as a "Cogeneration Facility" as defined in 292.203 (a) and (b), respectively, of Title 18 of the Code of Federal Regulations (CFR).

#### **DEFINITION - BACKUP POWER:**

Backup power means electric energy or capacity supplied by the Company during an unscheduled outage of the qualifying facility to replace energy or capacity ordinarily supplied by the qualifying facility.

## **TERRITORY:**

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

### **BACKUP POWER SERVICE RATE:**

Χ The Backup Power Service rate for all qualifying facilities shall be the retail rate schedule currently in effect and applicable to the Customer absent its qualifying facility generation. Neither a billing demand based on a percentage of the highest measured demand established Χ over a period of time (ratchet) nor a power factor adjustment will apply to this service.

# **MONTHLY RESERVATION FEE:**

A monthly reservation fee will be charged in the months that backup power is not utilized by the qualifying facility. The reservation fee will be the retail rates currently in effect and applicable to the Customer absent its qualifying facility generation times the greater of 10 percent of the monthly contracted capacity demand or the experienced annual Forced Outage Rate (FOR) of the Customer expressed in percentage terms of the qualifying facility for the most recent twelve month period ending with the current month times the monthly contracted capacity demand.

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Signature/Title

Nathan T. Hirschi

Senior Vice President - CFO

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### **DELIVERY SERVICE CHARGE:**

A delivery service charge will be billed to the Customer for any month that backup power is not utilized by the qualifying facility. The delivery service charge shall be:

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Secondary Voltage Delivery Service Charge:	\$5.88 per kW of contracted capacity	X
Primary Voltage Delivery Service Charge:	\$4.75 per kW of contracted capacity	X

# **COMMON PROVISIONS:**

# Interconnection Charge:

Customers in this rate schedule shall be subject to a charge for interconnection costs.

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Interconnection costs are the reasonable costs of connection, switching, metering, transmission, distribution, safety provisions, engineering, and administrative costs incurred by the Company directly 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 corresponding costs that the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy or capacity from other sources.

In conformance with 17.9.570 NMAC, the Company shall provide a detailed estimate of the cost X of interconnection within thirty (30) days of receipt of 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 and reimbursements to the appropriate party shall be made for any differences between the actual and estimated cost of interconnection. In addition, Customers with design capacity greater than 100 kW shall pay an annual charge of 4.6851 percent 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 4.6851 percent is payable by the Customer in monthly installments at the rate of one-twelfth (1/12) of the annual charge per month.

X

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**DETERMINATION OF CONTRACT CAPACITY:** 

The contract capacity for the purpose of this rate schedule shall be the amount of capacity, expressed in kilowatts, requested by the Customer or the measured kilowatt output of the

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Customer's qualifying facilities that the Customer requests the Company to provide for Backup Power Service. When a higher kilowatt load for Backup Power Service is established, the higher kilowatt load shall become the new contract capacity for that month and for each month thereafter, unless and until exceeded by a still higher kilowatt load which in turn shall be subject to the foregoing conditions.

FUEL AND PURCHASE POWER COST ADJUSTMENT CLAUSE (FPPCAC):	X
	X X
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.	X X X
TERMS AND CONDITIONS:	
Service supplied under this rate schedule is subject to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission and available for inspection at Company offices. The provisions of any contract associated with service under this rate schedule are also applicable.	X X X X
This rate schedule shall be binding upon the Company and the Customer for a period coterminous 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 of this rate schedule 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 defined in the Customer's application for	X X X
service	

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