

EL PASO ELECTRIC COMPANY

SCHEDULE NO. 02

SMALL GENERAL SERVICE RATE

APPLICABILITY

This rate schedule is available to all Customers for electric lighting, power and heating service where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. The Customer and the Company will determine whether a new Customer qualifies for this rate schedule.

Service under this rate schedule shall be limited to Customers who otherwise do not qualify for service under the Company's other rate schedules and who, during the current month and the previous eleven (11) month period, did not have maximum thirty (30) minute kilowatt (kW) demands exceeding 15 kW in any two (2) consecutive months.

If the Customer's monthly maximum demand exceeds 15 kW for two (2) consecutive months, the Customer shall no longer be eligible for service under the Small General Service Rate, but shall immediately become eligible for service under the General Service Rate or Large Power Service Rate, as applicable. The Customer shall not be eligible for service under the Small General Service Rate for a period of twelve (12) consecutive months thereafter.

TERRITORY

Texas Service Area

TYPE OF SERVICE

Service available under this rate schedule will be determined by the Company and will be either single or three phase at the option of the Company and at a standard Company approved voltage. All service will be taken at a single 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.

MONTHLY RATES

Customer Charge (per meter per month)	\$9.95
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Energy Charge per kWh	Summer (May through October)	Winter (November through April)
All kWh	\$0.11407	\$0.10407

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MONTHLY MINIMUM CHARGE

The monthly minimum charge is the Customer Charge.

OFF-PEAK WATER HEATING RIDER

This rider is closed to all new service applications.

For domestic electric water heating service (swimming pool water heating, commercial dishwasher water heating and water heating utilized for space heating excluded). The service shall be metered on a circuit which shall include only water heating elements and exclude all other services.

Periods of electric supply service may be scheduled to conform to off-peak conditions of the Company's system. The Company reserves the right to change the off-peak periods of supply to meet the changing off-peak conditions of its system. The Company, at its option, will furnish and connect to the Customer's wiring and retain ownership of a time switch or suitable device to regulate the hours of use.

Service under this rider shall be limited to water heaters of thirty (30) gallons or more capacity. All water heaters will be controlled by a thermostat and if two (2) or more heating elements are used, the water heater will be wired so that only one element will operate at one time. The minimum wattage of all heating elements shall total not less than 3,000 watts. Service may be limited where the Customer has an abnormally large connected load, and is only available as a secondary service in conjunction with a main service.

MONTHLY RATE – OFF-PEAK WATER HEATING

Customer Charge (per meter per month)	\$6.50
Energy Charge	Per kWh
Summer (May through October): All kWh	\$0.03547
Winter (November through April): All kWh	\$0.02548

MONTHLY MINIMUM – OFF-PEAK WATER HEATING

The monthly minimum is the Customer Charge.

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NON-METERED SERVICE

In instances when metering of energy would be impractical because of the low monthly level of usage and when estimates of this usage can be accurately calculated, the Company may, at its option, provide non-metered service. Billings for non-metered service shall be based on the customer charge plus the monthly energy usage calculated by the Company and applied to the energy charge of this rate schedule. All other approved factors are also applicable.

The Customer is responsible for notifying the Company of additions of equipment served under the Non-Metered Service provision. Failure to provide notice will result in a billing adjustment calculated by the Company. The billing adjustment will be equal to six (6) months billing based on the calculated monthly consumption of the non-meter load.

FIXED FUEL FACTOR

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

ENERGY EFFICIENCY COST RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 97 (Energy Efficiency Cost Recovery Factor).

MILITARY BASE DISCOUNT RECOVERY FACTOR

This rate schedule is subject to the provisions of the Company's Rate Schedule No. 96 (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. 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.

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The Company at its option may install metering equipment to measure the Customer's thirty (30) minute average kilowatt (kW) demand for purposes of determining the applicable rate schedule.

Any new Customer that has not established a prior service history with the Company shall be classified under the appropriate rate schedule in accordance with a demand estimate performed by the Company.

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