

**EL PASO ELECTRIC COMPANY**

**ORIGINAL RATE NO. 38**

X

**RENEWABLE PORTFOLIO STANDARD (RPS) COST RIDER**

X

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**APPLICABILITY:**

This Rider is applicable to bills for electric service provided under all of EPE's retail rate schedules. This Rider is established to recover Renewable Portfolio Standard ("RPS") compliance costs. This Rider is applicable to all customer classes except as modified by the New Mexico Public Regulation Commission (NMPRC) Rule 17.9.572.7 NMAC (M), and the limitations of NMSA 1978, Section 62-16-4(A)(2) applicable to certain nongovernmental customers. This Rider is not applicable to customers exempt from charges for renewable energy procurements pursuant to NMSA 1978, Section 62-16-4(A)(3).

**TERRITORY:**

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

**MONTHLY RATES:**

This Rider, where applicable, shall be added to each customer's bill and applied as a per kilowatt-hour (kWh) charge for all kWh billed to a customer.

|   | <u>Amount to be Recovered</u> | <u>Rate per kWh</u> |
|---|-------------------------------|---------------------|
| All Retail Rate Schedules               | \$15,892,430                  | \$0.009952          |
| Customers Subject to Large Customer Cap | 2% of Pre-Tax Charges         | -----               |

**STATUTORY CAP ON BILLING FOR CERTAIN LARGE CUSTOMERS:**

NMPRC Rule 17.9.572.7(M) NMAC limits billed amounts for additional costs associated with RPS procurement for non-governmental customers with consumption exceeding 10 million kWh per year at a single location of facility.

**ANNUAL RECONCILIATION FILING:**

This Rider shall be adjusted annually to reconcile the previous calendar year RPS Cost Rider collections with actual RPS costs. RPS costs recovered through this rider are approved for recovery by the NMPRC. Any over-recovery of the previously approved RPS costs will represent a credit to and reduction of the approved Rider in the subsequent year, and any under-recovery of the previously approved renewable energy costs will represent a charge in addition to the approved Rider in the subsequent year. The annual reconciliation will also evaluate cost recovery from qualifying large customers pursuant to NMPRC Rule 17.9.572.7(M) NMAC.

**Advice Notice No.** 250

**Signature/Title** \_\_\_\_\_

**James Schichtl**  
**Vice President – Regulatory Affairs**