

LEA COUNTY ELECTRIC COOPERATIVE, INC.

Advice Notice No. 57

December 10, 2016

PUBLIC REGULATION COMMISSION OF THE STATE OF NEW MEXICO

JAN 3 '17 AM 10:46

Page 1 of 2

Lea County Electric Cooperative, Inc. hereby gives notice to the public and the Commission of the filing and publishing of the following changes in tariff schedules, which are attached hereto:

<u>Rate No.</u>	<u>Title of Sheet</u>	<u>Canceling Rate No.</u>	<u>Date Effective</u>
Twenty-Third	Table of Contest	Twenty-Second	February 1, 2017
Fifth Revised Rate No. 1	Residential Service	Fourth Revised Rate No. 1	February 1, 2017
Fifth Revised Rate No. 10	Small Commercial Service	Fourth Revised Rate No. 10	February 1, 2017
Second Revised Rate No. 11	Large Commercial Service	First Revised Rate No. 11	February 1, 2017
First Revised Rate No. 12	Small Irrigation Service	Original Rate No. 12	February 1, 2017
Fourth Revised Rate No. 13	Cotton Gin Service	Third Revised Rate No. 13	February 1, 2017
Seventh Revised Rate No. 14	Large Irrigation Service	Sixth Revised Rate No. 14	February 1, 2017
Sixth Revised Rate No. 15	Municipal and School Service	Fifth Revised Rate No. 15	February 1, 2017
Sixth Revised Rate No. 21	Secondary Service 500 KW to 2 MW	Fifth Revised Rate No. 21	February 1, 2017
Sixth Revised Rate No. 23	Primary Service Under 500 KW	Fifth Revised Rate No. 23	February 1, 2017
First Revised Rate No. 25	Primary Service Over 2 MW	Original Rate No. 25	February 1, 2017
Third Revised Rate No. 28	Petroleum Service	Second Revised Rate No. 28	February 1, 2017

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REPLACED BY NMPC
BY Rule 540

Lea County Electric Cooperative, Inc.

Executive Vice President
and General and Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.

Advice Notice No. 57

December 10, 2016

PUBLIC REGULATION COMMISSION
OF THE STATE OF NEW MEXICO

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<u>Rate No.</u>	<u>Title of Sheet</u>	<u>Canceling Rate No.</u>	<u>Date Effective</u>
First Revised Rate No. 32	Secondary Service Under 500 KW	Original Rate No. 32	February 1, 2017
First Revised Rate No. 33	Secondary Service Over 2 MW	Original Rate No. 33	February 1, 2017
First Revised Rate No. 34	Primary Service 500 KW to 2 MW	Original Rate No. 34	February 1, 2017

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BY Rule 540

Lea County Electric Cooperative, Inc.

Executive Vice President
and General and Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
 TWENTY-THIRD REVISED TABLE OF CONTENTS
 CANCELING TWENTY-SECOND REVISED TABLE OF CONTENTS

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RATES

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<u>RATE. NO.</u>	<u>TITLE</u>	
Fifth Revised	No. 1	Residential Service X
Fifth Revised	No. 10	Small Commercial Service X
Second Revised	No. 11	Large Commercial Service X
First Revised	No. 12	Small Irrigation Service X
Fourth Revised	No. 13	Cotton Gin Service X
Seventh Revised	No. 14	Large Irrigation Service X
Sixth Revised	No. 15	Municipal and School Service X
Fifth Revised	No. 19	Lighting Service
Sixth Revised	No. 21	Secondary Service 500 KW to 2MW X
Sixth Revised	No. 23	Primary Service Under 500KW X
First Revised	No. 25	Primary Service Over 2MW X
Third Revised	No. 28	Petroleum Service X
First Revised	No. 32	Secondary Service Under 500KW X
First Revised	No. 33	Secondary Service Over 2MW X
First Revised	No. 34	Primary Service 500KW to 2MW X
First Revised	No. 40	Special Service and Charges
Original	No. 50	Wholesale Transmission Service
First Revised	No. 60	Standard Tariff for Purchase of Energy From Qualifying Facility 10 MW or Less

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BY Rule 540

Advice Notice No. 57

Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIFTH REVISED RATE NO. 1
CANCELING FOURTH REVISED RATE NO. 1

JAN 3 '17 AM 10:46

RESIDENTIAL SERVICE

Page 1 of 3

AVAILABILITY

Available system wide to all individual residential consumers, churches, farming, ranching and public use.
Service can be single or three phase.

MONTHLY RATE

Customer Charge-Single Phase	\$ 20.00	X
Customer Charge-Three Phase	\$ 35.00	X
Energy Charge – per kWh	\$.080588	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

OTHER TERMS AND PAYMENTS

Use of Service: Service under this schedule shall not be resold or sub-metered.

LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

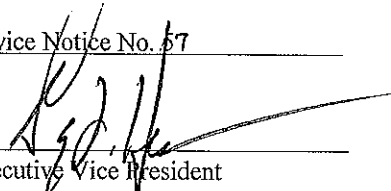
The above rates are based upon the cooperative's cost of purchased power for the year ended December 31, 2008, in the amount \$.065154 per kWh sold.

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REPLACED BY NMPRC
BY Rule 540

Advice Notice No. 57


Executive Vice President
and General and Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIFTH REVISED RATE NO. 1
CANCELING FOURTH REVISED RATE NO. 1

RESIDENTIAL SERVICE

Page 2 of 3

Method Of Calculation:

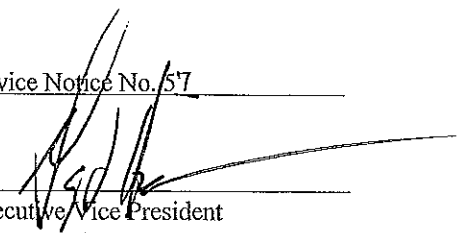
- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRF) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six-month period as follows:
 - (1) Calculate the actual average cost of purchased power per kWh sold over a six-month period immediately prior to filing a new levelized PCRF.
 - (2) Add or deduct from this average any apparent changes for the projected six month period in purchased power cost per kWh sold as determined by the cooperative after consulting with its power supplier.
- D. Determine the new levelized PCRF by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the Cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRF clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

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FEB - 1 2017

REPLACED BY NMPRC
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Advice Notice No. 57


Executive Vice President
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LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIFTH REVISED RATE NO. 1
CANCELING FOURTH REVISED RATE NO. 1

RESIDENTIAL SERVICE

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TAX ADJUSTMENT CLAUSE

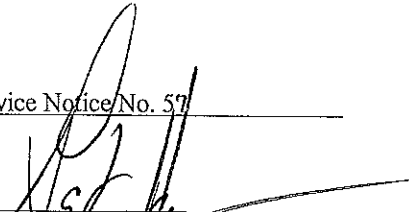
Billing under this rate may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental 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 service.

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FEB - 1 2017

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BY Rule 540

Advice Notice No. 57


Executive Vice President
and General and Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIFTH REVISED RATE NO. 10
CANCELING FOURTH REVISED RATE NO. 10

JAN 3 '17 AM 10:46

SMALL COMMERCIAL SERVICE

Page 1 of 2

AVAILABILITY

Available system wide for all single and three phase service with 25 KW or less for all nonresidential use not specified in cooperative's residential schedule.

MONTHLY RATE

Customer Charge - Single Phase	\$ 20.00	X
Customer Charge - Three Phase	\$ 35.00	X
Energy Charge - per kWh	\$.073707	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

OTHER TERMS AND CONDITIONS

Use of Service: Service under this schedule shall not be resold or sub-metered.

LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

The above rates are based upon the cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method Of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRf) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.

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BY Rule 540

Advice Notice No. 57

Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIFTH REVISED RATE NO. 10
CANCELING FOURTH REVISED RATE NO. 10

SMALL COMMERCIAL SERVICE

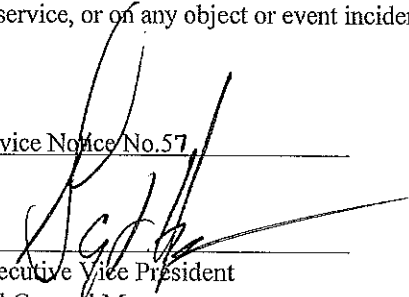
Page 2 of 2

- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
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- D. Determine the new levelized PCRF by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate equal to the rate paid on security deposit on all month-end cumulative over collections of its levelized PCRF clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

Billing under this rate may be increased by an amount equal to the sum of the 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 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 service.

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Executive Vice President
and General Manager

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LEA COUNTY ELECTRIC COOPERATIVE, INC.
SECOND REVISED RATE NO. 11
CANCELLING FIRST RATE NO. 11

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LARGE COMMERCIAL SERVICE

Page 1 of 3

AVAILABILITY

Available system-wide for all single and three-phase service with more than 25 KW for all nonresidential use not specified in cooperative's residential schedules.

MONTHLY RATE

Customer Charge	\$35.00	X
Demand Charge -- per KW	\$ 3.60	
Energy Charge -- per kWh	\$.072692	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

OTHER TERMS AND CONDITIONS

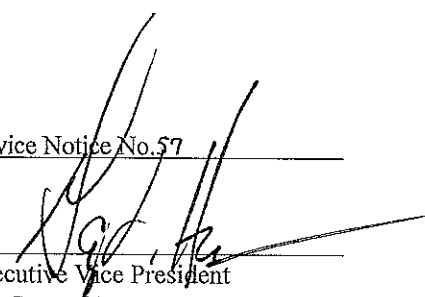
Use of Service: Service under this schedule shall not be resold or sub-metered.

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Advice Notice No. 57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SECOND REVISED RATE NO. 11
CANCELLING FIRST RATE NO. 11

LARGE COMMERCIAL SERVICE

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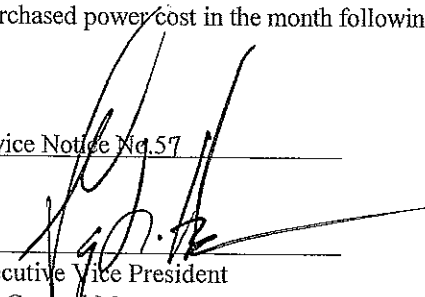
LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

The above rates are based upon the Cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method Of Calculation:

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LEA COUNTY ELECTRIC COOPERATIVE, INC.
SECOND REVISED RATE NO. 11
CANCELLING FIRST RATE NO. 11

LARGE COMMERCIAL SERVICE

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- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

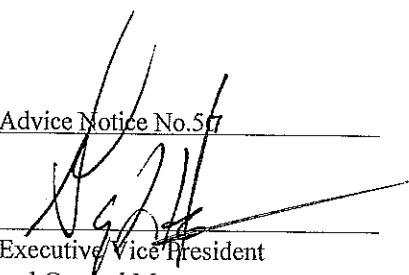
Billing under this rate may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental 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 service.

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BY Rule 540

Advice Notice No. 57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 12
CANCELING ORIGINAL RATE NO. 12

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SMALL IRRIGATION SERVICE

Page 1 of 3

AVAILABILITY

Available system-wide to irrigation service accounts with below 50 KW demand.

MONTHLY RATE

Customer Charge	\$25.00	X
Demand Charge -- per KW	\$ 3.60	
Energy Charge -- per kWh	\$.071506	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

INTERRUPTION CREDIT-SUMMER PEAKING LOAD

For qualifying irrigation customers who execute a *Load Management Agreement for Irrigation Interruptible Power Service* (Agreement) for load interruption, a credit per kWh used during June, July and August should be granted on October's billing statements following the usage. The determination of the credit amount for each respective year as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

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BY Rule 540

Advice Notice No. 57

Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 12
CANCELING ORIGINAL RATE NO. 12

SMALL IRRIGATION SERVICE

Page 2 of 3

CONTRACT PERIOD

All contracts under this schedule shall be made for a period of ten years and thereafter until terminated either by agreement of the parties or by modification of rates as approved by the New Mexico Public Regulation Commission, or where service is no longer required on ten days written notice.

LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE.

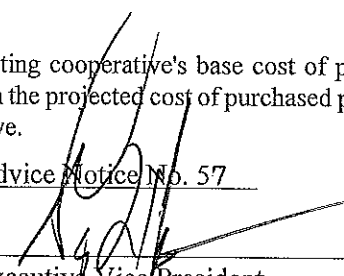
For purposes of this clause purchased power cost is defined as purchased electricity cost from all suppliers without deduction for wholesale interruptible credits.

The above rates are based upon the Cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRF) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
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- D. Determine the new levelized PCRF by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six-month period as calculated in C above.

Advice Notice No. 57


Executive Vice President
and General Manager

EFFECTIVE

FEB - 1 2017

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BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 12
CANCELING ORIGINAL RATE NO. 12

SMALL IRRIGATION SERVICE

Page 3 of 3

- E. The Cooperative will roll over into a balancing account any over-or-under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate of equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRf clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

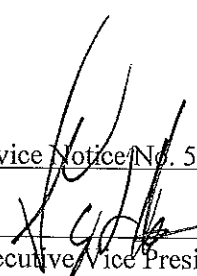
Billing under this rate may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental 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 service.

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Advice Notice No. 57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FOURTH REVISED RATE NO. 13
CANCELLING THIRD REVISED RATE NO. 13

JAN 3 '17 AM 10:46

COTTON GIN SERVICE

Page 1 of 3

AVAILABILITY

Available system wide for cotton gins.

MONTHLY RATE

Customer Charge	\$200.00	X
Demand Charge – per KW	\$ 6.67	
Energy Charge – per kWh	\$.075307	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

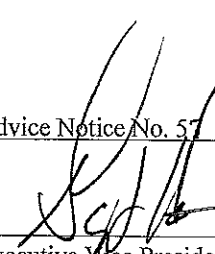
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Executive Vice President
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LEA COUNTY ELECTRIC COOPERATIVE, INC.
FOURTH REVISED RATE NO. 13
CANCELLING THIRD REVISED RATE NO. 13

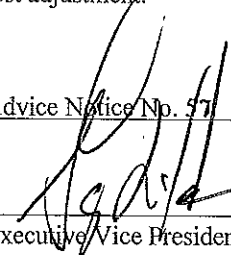
COTTON GIN SERVICE

Page 2 of 3

Method Of Calculation:

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LEA COUNTY ELECTRIC COOPERATIVE, INC.
FOURTH REVISED RATE NO. 13
CANCELLING THIRD REVISED RATE NO. 13

COTTON GIN SERVICE

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TAX ADJUSTMENT CLAUSE

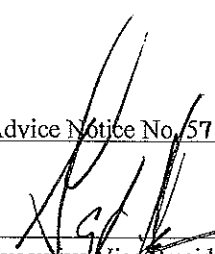
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Executive Vice President
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LEA COUNTY ELECTRIC COOPERATIVE, INC.
SEVENTH REVISED RATE NO. 14
CANCELING SIXTH REVISED RATE NO. 14

JAN 3 '17 AM 10:46

LARGE IRRIGATION SERVICE

Page 1 of 3

AVAILABILITY

Available system-wide to irrigation service accounts with 50KW demand or above.

MONTHLY RATE

Customer Charge	\$35.00	X
Demand Charge – per KW	\$ 7.50	
Energy Charge – per kWh	\$.058884	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

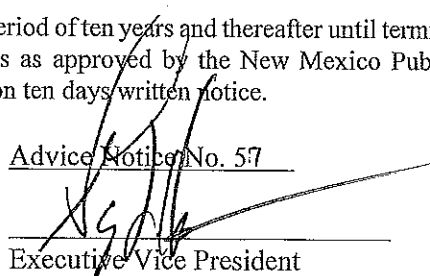
INTERRUPTION CREDIT-SUMMER PEAKING LOAD

For qualifying irrigation customers who execute a *Load Management Agreement for Irrigation Interruptible Power Service* (Agreement) for load interruption, a credit per kWh used during June, July and August should be granted on October's billing statements following the usage. The determination of the credit amount for each respective year as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

CONTRACT PERIOD

All contracts under this schedule shall be made for a period of ten years and thereafter until terminated either by agreement of the parties or by modification of rates as approved by the New Mexico Public Regulation Commission, or where service is no longer required on ten days written notice.

Advice Notice No. 57


Executive Vice President
and General Manager

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FEB -1 2017

REPLACED BY NMPRC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SEVENTH REVISED RATE NO. 14
CANCELING SIXTH REVISED RATE NO. 14

LARGE IRRIGATION SERVICE

Page 2 of 3

LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE.

For purposes of this clause, purchased power cost is defined as purchased electricity cost from all suppliers without deduction for wholesale interruptible credits.

The above rates are based upon the Cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRf) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRf and reporting actual PCRf costs compared to amounts billed under the levelized PCRf shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six-month period as follows:
 - (1) Calculate the actual average cost of purchased power per kWh sold over a six-month period immediately prior to filing a new levelized PCRf.
 - (2) Add or deduct from this average any apparent changes for the projected six-month period in purchased power cost per kWh sold as determined by the Cooperative after consulting with its power supplier.
- D. Determine the new levelized PCRf by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six-month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over-or-under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate of equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRf clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.

Advice Notice No. 57

Executive Vice President
and General Manager

EFFECTIVE

FEB - 1 2017

REPLACED BY NMPRC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SEVENTH REVISED RATE NO. 14
CANCELING SIXTH REVISED RATE NO. 14

LARGE IRRIGATION SERVICE

Page 3 of 3

- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

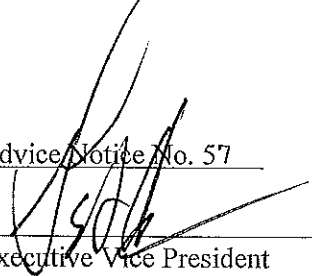
Billing under this rate may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental 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 service.

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REPLACED BY NMPRC
BY Rule 540

Advice/Notice No. 57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SIXTH REVISED NO. 15
CANCELING FIFTH REVISED RATE NO. 15

JAN 3 '17 AM 10:47

MUNICIPAL AND SCHOOL SERVICE

Page 1 of 2

AVAILABILITY

Available system wide to all municipalities, schools and churches that do not qualify for Rate 1.

MONTHLY RATE

Customer Charge	\$30.00	X
Demand Charge – per KW	\$ 6.40	
Energy Charge – per kWh	\$.057716	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

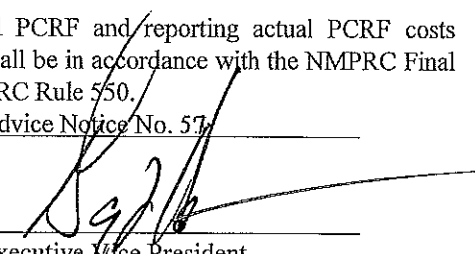
LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

The above rates are based upon the cooperative's cost of purchased power for the year ended December 31, 2008 in the amount \$.065154 per kWh sold.

Method Of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRF) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.

Advice Notice No. 57


Executive Vice President
and General Manager

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REPLACED BY NMPRC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SIXTH REVISED NO. 15
CANCELING FIFTH REVISED RATE NO. 15

MUNICIPAL AND SCHOOL SERVICE

Page 2 of 2

- C. Determine the cost of purchased power per kWh sold for the projected six-month period as follows:
- (1) Calculate the actual average cost of purchased power per kWh sold over a six month period immediately prior to filing a new levelized PCRF.
 - (2) Add or deduct from this average any apparent changes for the projected six month period in purchased power cost per kWh sold as determined by the Cooperative after consulting with its power supplier.
- D. Determine the new levelized PCRF by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRF clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

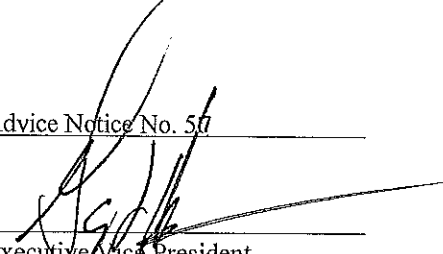
Billing under this rate may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental 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 service.

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BY Rule 540

Advice Notice No. 57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SIXTH REVISED RATE NO. 21
CANCELING FIFTH REVISED RATE NO. 21

JAN 3 '17 AM 10:47

SECONDARY SERVICE 500 KW TO 2000 KW

Page 1 of 3

AVAILABILITY

Available system wide for secondary metering of petroleum pumping, pipeline pumping and such other service from 500 KW to 2000 KW demand in conjunction therewith and incidental thereto.

MONTHLY RATE

Customer Charge	\$300.00	X
Demand Charge – per KW	\$ 6.40	
Energy Charge – per kWh	\$.064522	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

INTERRUPTION CREDIT - BASE LOAD

For qualifying customers who execute a *Load Management Agreement for Petroleum/Industrial Interruptible Power Service* (Agreement) for load interruption, a credit per interruptible KW demand should be granted monthly and disbursed according to the terms of the Agreement. The determination of the credit amount for each respective year, as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

For purposes of this clause purchased power cost is defined as purchased electricity cost from all suppliers without deduction for wholesale interruptible credits.

Advice Notice No. 57

Executive Vice President
and General Manager

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REPLACED BY NMPRC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SIXTH REVISED RATE NO. 21
CANCELING FIFTH REVISED RATE NO. 21

SECONDARY SERVICE 500 KW TO 2000 KW

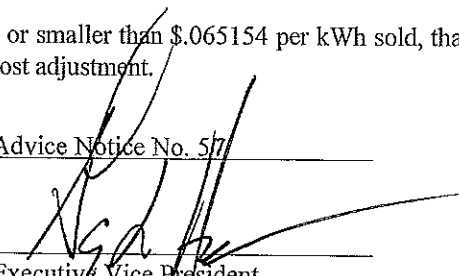
Page 2 of 3

The above rates are based upon the Cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method Of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRF) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six-month period as follows:
 - (1) Calculate the actual average cost of purchased power per kWh sold over a six month period immediately prior to filing a new levelized PCRF.
 - (2) Add or deduct from this average any apparent changes for the projected six-month period in purchased power cost per kWh sold as determined by the cooperative after consulting with its power supplier.
- D. Determine the new levelized PCRF by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRF clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

Advice Notice No. 577


Executive Vice President
and General Manager

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FEB - 1 2017

REPLACED BY NMPRC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SIXTH REVISED RATE NO. 21
CANCELING FIFTH REVISED RATE NO. 21

SECONDARY SERVICE 500 KW TO 2000 KW

Page 3 of 3

TAX ADJUSTMENT CLAUSE

Billing under this rate may be increased by an amount equal to the sum of the 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 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 service.

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FEB - 1 2017

Advice Notice No. 57

Executive Vice President
and General Manager

REPLACED BY NMPRC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SIXTH REVISED-RATE NO. 23
CANCELING FIFTH REVISED-RATE NO. 23

JAN 3 '17 AM 10:47

PRIMARY SERVICE UNDER 500 KW

Page 1 of 3

AVAILABILITY

Available system-wide, under contract, for petroleum pumping, pipeline pumping, government agencies, industrial uses, and such other service in conjunction therewith and incidental thereto, supplied at one point of delivery, measured by watt-hour meter, where facilities of adequate capacity and suitable potential are adjacent to the premises to be served under 500 KW demand.

Not applicable to re-metering or breakdown unless specifically contracted. Not applicable to resale or standby service.

MONTHLY RATE

Customer Charge	\$150.00	X
Demand Charge – per KW	\$ 6.40	
Energy Charge – per kWh	\$.064522	

If service is provided at primary voltage, and the customer owns all facilities past the metering point, the Demand Charge and Energy Charge shall be reduced by three percent (3%).

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net

INTERRUPTION CREDIT - BASE LOAD

For qualifying customers who execute a *Load Management Agreement for Petroleum/Industrial Interruptible Power Service* (Agreement) for load interruption, a credit per interruptible KW demand should be granted monthly and disbursed according to the terms of the Agreement. The determination of the credit amount for each respective year, as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

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Advice Notice No. 37

Executive Vice President
and General Manager

REPLACED BY NMPC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SIXTH REVISED-RATE NO. 23
CANCELING FIFTH REVISED-RATE NO. 23

PRIMARY SERVICE UNDER 500 KW

Page 2 of 3

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

LEVELIZED FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE

For purposes of this clause purchased power cost is defined as purchased electricity cost from all suppliers without deduction for wholesale interruptible credits.

The above rates are based upon the cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method Of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRF) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six month period as follows:
 - (1) Calculate the actual average cost of purchased power per kWh sold over a six-month period immediately prior to filing a new levelized PCRF.
 - (2) Add or deduct from this average any apparent changes for the projected six month period in purchased power cost per KWH sold as determined by the cooperative after consulting with its power supplier.
- D. Determine the new levelized PCRF by subtracting cooperative's base cost of purchased power of

Advice Notice No. 37

Executive Vice President
and General Manager

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REPLACED BY NMPRC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
SIXTH REVISED-RATE NO. 23
CANCELING FIFTH REVISED-RATE NO. 23

PRIMARY SERVICE UNDER 500 KW

Page 3 of 3

\$.065154 per KWH sold included in its rates from the projected cost of purchased power per kWh sold for the six-month period as calculated in C above.

- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRf clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

Billing under this rate may be increased by an amount equal to the sum of the 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 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 service.

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BY Rule 540

Advice Notice No. 57

Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 25
CANCELING ORIGINAL RATE NO. 25

JAN 3 '17 AM 10:47

PRIMARY SERVICE OVER 2000 KW

Page 1 of 3

AVAILABILITY

Available system-wide, under contract, for petroleum pumping, pipeline pumping, government agencies, industrial uses, and such other service in conjunction therewith and incidental thereto, supplied at one point of delivery, measured by watt-hour meter, where facilities of adequate capacity and suitable potential are adjacent to the premises to be served over 2,000 KW demand.

Not applicable to re-metering or breakdown unless specifically contracted. Not applicable to resale or standby service.

MONTHLY RATE

Customer Charge	\$600.00	X
Demand Charge – per KW	\$ 6.40	
Energy Charge – per kWh	\$.064522	

If service is provided at primary voltage, and the customer owns all facilities past the metering point, the Demand Charge and Energy Charge shall be reduced three percent (3%).

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net

INTERRUPTION CREDIT - BASE LOAD

For qualifying customers who execute a *Load Management Agreement for Petroleum/Industrial Interruptible Power Service* (Agreement) for load interruption, a credit per interruptible KW demand should be granted monthly and disbursed according to the terms of the Agreement. The determination of the credit amount for each respective year, as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

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BY Rule 540

Advice Notice No. 57

Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 25
CANCELING ORIGINAL RATE NO. 25

PRIMARY SERVICE OVER 2000 KW

Page 2 of 3

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

LEVELIZED FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE

For purposes of this clause purchased power cost is defined as purchased electricity cost from all suppliers without deduction for wholesale interruptible credits.

The above rates are based upon the cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method Of Calculation:

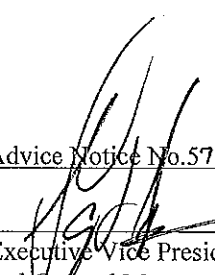
- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRF) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six month period as follows:
 - (1) Calculate the actual average cost of purchased power per kWh sold over a six-month period immediately prior to filing a new levelized PCRF.
 - (2) Add or deduct from this average any apparent changes for the projected six month period in purchased power cost per KWH sold as determined by the cooperative after consulting with its power supplier.

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BY Rule 540

Advice Notice No.57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 25
CANCELING ORIGINAL RATE NO. 25

PRIMARY SERVICE OVER 2000 KW

Page 3 of 3

- D. Determine the new levelized PCRf by subtracting cooperative's base cost of purchased power of \$.065154 per KWH sold included in its rates from the projected cost of purchased power per kWh sold for the six-month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRf clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

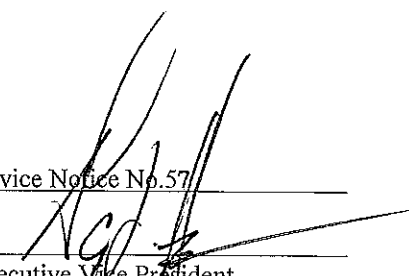
Billing under this rate may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental 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 service.

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BY Rule 540

Advice Notice No. 57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
THIRD REVISED RATE NO. 28
CANCELLING SECOND REVISED RATE NO. 28

JAN 3 '17 AM 10:47

PETROLEUM SERVICE

Page 1 of 3

AVAILABILITY

Available system-wide under contract, requiring initially 9000 KW metered demand for recovery of oil and gas and other service in conjunction therewith and incidental thereto, supplied at one point of delivery pursuant to an electric service agreement entered into between utility and customer.

This schedule applies to substation delivery at approximately 7200/12470vY and/or 14400/24900vY, whichever potential is available and metered at delivered potential. Not applicable to re-metering or breakdown unless specifically contracted. Not applicable to resale or standby service.

MONTHLY RATE

Customer Charge	\$550.00	X
Demand Charge – per KW	\$ 7.50	
Energy Charge – per kWh	\$.053156	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

INTERRUPTION CREDIT - BASE LOAD

For qualifying customers who execute a *Load Management Agreement for Petroleum/Industrial Interruptible Power Service* (Agreement) for load interruption, a credit per interruptible KW demand should be granted monthly and disbursed according to the terms of the Agreement. The determination of the credit amount for each respective year, as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

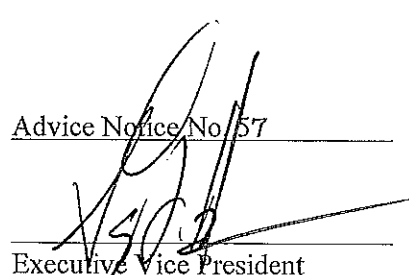
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Advice Notice No. 57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
THIRD REVISED RATE NO. 28
CANCELLING SECOND REVISED RATE NO. 28

PETROLEUM SERVICE

Page 2 of 3

DETERMINATION OF BILLING DEMAND

The KW capacity will be determined by measurement by taking the highest monthly 30 minute integrated KW reading, but not less than 60 percent of the highest demand established in the last eleven months. The primary meter installation will be at the low side of the substation transformer supplying the load. If an additional load requiring a transformation other than 4160/12470 is added, service will be available adjacent to the 12470 meter at 24900. The meters will be combined by a method acceptable to both parties to determine an accurate coincident peak demand.

TERMS OF PAYMENT

The above rates and adjustments are net.

TAX ADJUSTMENT CLAUSE

Billing under this rate may be increased by an amount equal to the sum of the 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 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 service.

LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

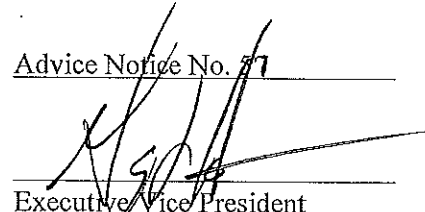
For purposes of this clause purchased power cost is defined as purchased electricity cost from all suppliers without deduction for wholesale interruptible credits.

The above rates are based upon the cooperative's cost of generating plant fuel plus the cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per KWH sold.

Method of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRf) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission
- B. The procedure for periodically updating the levelized PCRf and reporting actual PCRf costs compared to amounts billed under the levelized PCRf shall be in accordance with the NMPRC Final Order under Case 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six month period as follows:

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Executive Vice President
and General Manager

EFFECTIVE

FEB -1 2017

REPLACED BY NMPRC

BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
THIRD REVISED RATE NO. 28
CANCELLING SECOND REVISED RATE NO. 28

PETROLEUM SERVICE

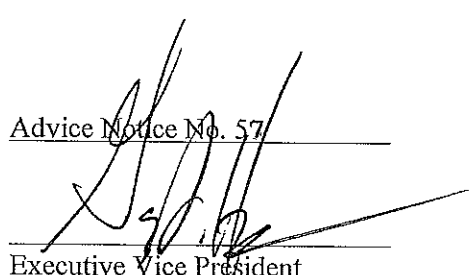
Page 3 of 3

- (1) Calculate the actual average costs of purchased power per kWh sold over a six month period immediately prior to filing a new levelized PCRF.
 - (2) Add or deduct from this average any apparent changes for the projected six month period in purchased power cost per kWh sold as determined by the Cooperative after consulting with its power supplier.
- D. Determine the new levelized PCRF by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six month period as calculated in C above.
- E. The cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six month period, unless otherwise directed or ordered by the commission. In addition, the Cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRF clause and will reduce purchased power costs in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

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FEB - 1 2017

Advice Notice No. 57


Executive Vice President
and General Manager

REPLACED BY NMPC
BY Rule 540

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 32
CANCELING ORIGINAL RATE NO. 32

JAN 3 '17 AM 10:47

SECONDARY SERVICE UNDER 500 KW

Page 1 of 3

AVAILABILITY

Available system wide for secondary metering of petroleum pumping, pipeline pumping and such other service below 500 KW demand in conjunction therewith and incidental thereto.

MONTHLY RATE

Customer Charge	\$75.00	X
Demand Charge – per KW	\$ 6.40	
Energy Charge – per kWh	\$.064522	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

INTERRUPTION CREDIT - BASE LOAD

For qualifying customers who execute a *Load Management Agreement for Petroleum/Industrial Interruptible Power Service* (Agreement) for load interruption, a credit per interruptible KW demand should be granted monthly and disbursed according to the terms of the Agreement. The determination of the credit amount for each respective year, as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

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Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
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CANCELING ORIGINAL RATE NO. 32

SECONDARY SERVICE UNDER 500 KW

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LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

For purposes of this clause purchased power cost is defined as purchased electricity cost from all suppliers without deduction for wholesale interruptible credits.

The above rates are based upon the Cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method Of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRF) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six-month period as follows:
 - (1) Calculate the actual average cost of purchased power per kWh sold over a six month period immediately prior to filing a new levelized PCRF.
 - (2) Add or deduct from this average any apparent changes for the projected six-month period in purchased power cost per kWh sold as determined by the cooperative after consulting with its power supplier.
- D. Determine the new levelized PCRF by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over

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SECONDARY SERVICE UNDER 500 KW

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collections of its levelized PCRf clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.

- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

Billing under this rate may be increased by an amount equal to the sum of the 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 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 service.

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Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 33
CANCELING ORIGINAL RATE NO. 33

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SECONDARY SERVICE OVER 2000 KW

Page 1 of 3

AVAILABILITY

Available system wide for secondary metering of petroleum pumping, pipeline pumping and such other service over 2000 KW demand in conjunction therewith and incidental thereto.

MONTHLY RATE

Customer Charge	\$600.00	X
Demand Charge – per KW	\$ 6.40	
Energy Charge – per kWh	\$.064522	

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net.

INTERRUPTION CREDIT - BASE LOAD

For qualifying customers who execute a *Load Management Agreement for Petroleum/Industrial Interruptible Power Service* (Agreement) for load interruption, a credit per interruptible KW demand should be granted monthly and disbursed according to the terms of the Agreement. The determination of the credit amount for each respective year, as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

LEVELIZED PURCHASED POWER COST ADJUSTMENT CLAUSE

For purposes of this clause purchased power cost is defined as purchased electricity cost from all suppliers

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LEA COUNTY ELECTRIC COOPERATIVE, INC.
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SECONDARY SERVICE OVER 2000 KW

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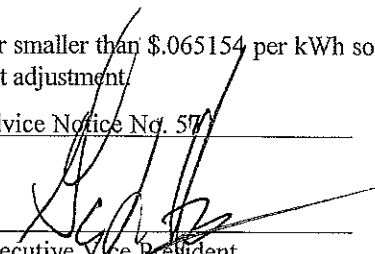
without deduction for wholesale interruptible credits.

The above rates are based upon the Cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method Of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRf) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRf and reporting actual PCRf costs compared to amounts billed under the levelized PCRf shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six-month period as follows:
 - (1) Calculate the actual average cost of purchased power per kWh sold over a six month period immediately prior to filing a new levelized PCRf.
 - (2) Add or deduct from this average any apparent changes for the projected six-month period in purchased power cost per kWh sold as determined by the cooperative after consulting with its power supplier.
- D. Determine the new levelized PCRf by subtracting cooperative's base cost of purchased power of \$.065154 per kWh sold included in its rates from the projected cost of purchased power per kWh sold for the six month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRf clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

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LEA COUNTY ELECTRIC COOPERATIVE, INC.
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CANCELING ORIGINAL RATE NO. 33

SECONDARY SERVICE OVER 2000 KW

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TAX ADJUSTMENT CLAUSE

Billing under this rate may be increased by an amount equal to the sum of the 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 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 service.

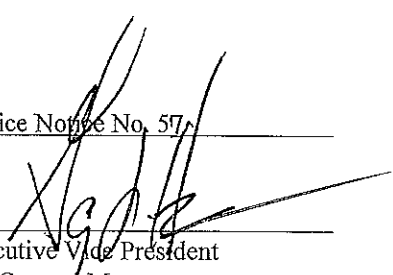
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BY Rule 540

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Executive Vice President
and General Manager

JAN 3 '17 AM 10:47

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED NO. 34
CANCELING ORIGINAL RATE NO. 34

PRIMARY SERVICE FROM 500 KW TO 2000 KW

Page 1 of 3

AVAILABILITY

Available system-wide, under contract, for petroleum pumping, pipeline pumping, government agencies, industrial uses, and such other service in conjunction therewith and incidental thereto, supplied at one point of delivery, measured by watt-hour meter, where facilities of adequate capacity and suitable potential are adjacent to the premises to be served from 500 KW to 2,000 KW demand.

Not applicable to re-metering or breakdown unless specifically contracted. Not applicable to resale or standby service.

MONTHLY RATE

Customer Charge	\$400.00	X
Demand Charge – per KW	\$ 6.40	
Energy Charge – per kWh	\$.064522	

If service is provided at primary voltage, and the customer owns all facilities past the metering point, the Demand Charge and Energy Charge shall be reduced three percent (3%).

MINIMUM CHARGE

Each billing period the customer shall be obligated to pay the Customer Charge and the amount stated in any agreement with the customer, whichever is greater as a minimum, whether or not any energy is actually used.

TERMS OF PAYMENT

The above rates and adjustments are net

INTERRUPTION CREDIT - BASE LOAD

For qualifying customers who execute a *Load Management Agreement for Petroleum/Industrial Interruptible Power Service* (Agreement) for load interruption, a credit per interruptible KW demand should be granted monthly and disbursed according to the terms of the Agreement. The determination of the credit amount for each respective year, as well as the specific provisions and requirements relating to participation in the load management program are outlined in the Agreement. The availability of this option

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LEA COUNTY ELECTRIC COOPERATIVE, INC.
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CANCELING ORIGINAL RATE NO. 34

PRIMARY SERVICE FROM 500 KW TO 2000 KW

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is contingent upon wholesale power provider securing approval for, and continuing implementation of, wholesale interruptible load management program.

DETERMINATION OF BILLING DEMAND

The monthly KW billing capacity shall be the highest 15 minute KW reading in each billing period.

LEVELIZED FUEL AND PURCHASED POWER COST ADJUSTMENT CLAUSE

For purposes of this clause purchased power cost is defined as purchased electricity cost from all suppliers without deduction for wholesale interruptible credits.

The above rates are based upon the cooperative's cost of purchased power for the year ended December 31, 2008 in the amount of \$.065154 per kWh sold.

Method Of Calculation:

- A. The cost of purchased power to be used for the levelized purchased power cost adjustment (PCRF) shall be computed in accordance with Rule 550 of the New Mexico Public Regulation Commission.
- B. The procedure for periodically updating the levelized PCRF and reporting actual PCRF costs compared to amounts billed under the levelized PCRF shall be in accordance with the NMPRC Final Order under Case No. 2215 granting variance from NMPRC Rule 550.
- C. Determine the cost of purchased power per kWh sold for the projected six month period as follows:
 - (1) Calculate the actual average cost of purchased power per kWh sold over a six-month period immediately prior to filing a new levelized PCRF.
 - (2) Add or deduct from this average any apparent changes for the projected six month period in purchased power cost per KWH sold as determined by the cooperative after consulting with its power supplier.

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PRIMARY SERVICE FROM 500 KW TO 2000 KW

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- D. Determine the new levelized PCRf by subtracting cooperative's base cost of purchased power of \$.065154 per KWH sold included in its rates from the projected cost of purchased power per kWh sold for the six-month period as calculated in C above.
- E. The Cooperative will roll over into a balancing account any over or under recoveries that occur and will incorporate that amount into the purchased power cost for the next six-month period, unless otherwise directed or ordered by the commission. In addition, the cooperative will calculate interest at an annual rate equal to the rate paid on security deposits on all month-end cumulative over collections of its levelized PCRf clause and will reduce purchased power cost in the month following any cumulative over collection by the interest calculated.
- F. If any rate has a purchased power cost recovery greater or smaller than \$.065154 per kWh sold, that difference will flow back through the purchased power cost adjustment.

TAX ADJUSTMENT CLAUSE

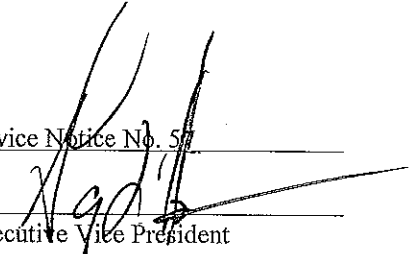
Billing under this rate may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees, or charges (exclusive of ad valorem, state and federal income taxes) payable by the utility and levied or assessed by any governmental 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 service.

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BY Rule 540

Advice Notice No. 57


Executive Vice President
and General Manager

LEA COUNTY ELECTRIC COOPERATIVE, INC.
FIRST REVISED RATE NO. 60
Cancelling ORIGINAL RATE NO. 60

STANDARD TARIFF FOR PURCHASE OF ENERGY
FROM QUALIFYING FACILITIES 10 MW OR LESS

Page 1 of 14

I. APPLICABILITY

This tariff ("Standard Tariff") is applicable to a Qualifying Facility ("QF") within the Cooperative's service area and which has an installed capacity of 10 megawatts or less.

II. INTERCONNECTION

The Cooperative shall interconnect with a QF which meets the condition of Title 17 Chapter 9 Part 568, 569 and 570. The QF must execute a contract ("Contract") with the Cooperative and meet the requirements of this Standard Tariff.

III. OBLIGATION TO PURCHASE:

A. Each cooperative shall purchase power from a qualifying facility from the date of interconnection at the cooperative's avoided cost. An electric cooperative is obligated to purchase power from a qualifying facility at the cooperative's avoided cost regardless of whether the electric cooperative making such purchase is simultaneously selling power to the qualifying facility.

B. The qualifying facility shall give the Cooperative at least sixty (60) days written advance notice to interconnect. Such notice shall specify the date the qualifying facility will be ready for interconnection, the date the qualifying facility will be able to commence testing, and the anticipated date of operation after testing. The qualifying facility shall pay the estimated costs of interconnection in full at the time the notice to interconnect is given. The Cooperative shall pay a qualifying facility for any energy produced during testing of the qualifying facility at the appropriate energy rate pursuant to Section V. B.

C. If the Cooperative determines that it cannot interconnect the qualifying facility within the time set in the notice to interconnect because adequate interconnection facilities are not available, it shall, within fifteen (15) Business Days of receipt of the notice to interconnect, notify the qualifying facility specifying the reasons it cannot interconnect as requested by the qualifying facility and specifying the date interconnection can be made. If the Qualifying Facility objects to the date for interconnection specified by the Cooperative, objects to the Cooperative's determination that adequate interconnection facilities are not available, or disputes the good faith efforts of the Cooperative to interconnect, the qualifying facility may initiate a proceeding before the Commission pursuant to the complaint process of this 17.9.570 NMAC. If the Commission finds that the Cooperative's position on the time for interconnection or

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STANDARD TARIFF FOR PURCHASE OF ENERGY
FROM QUALIFYING FACILITIES 10 MW OR LESS

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unavailability of interconnection facilities was not justified, the qualifying facility shall be deemed to have been interconnected and the qualifying facility shall be deemed to have otherwise complied with its contractual duties on the sixtieth (60th) day following the notice to interconnect and payments by the Cooperative to the qualifying facility shall commence at the appropriate power rate which shall be applied to the amount of imputed or expected power as if the qualifying facility were producing, provided that the qualifying facility's power was available.

IV. METERING OPTIONS:

A. General.

(1) A qualifying facility contracting to provide power may displace its own load. The cooperative may require appropriate metering. Billing for any power from the cooperative will be at the cooperative's approved rate applicable to the service provided to the qualifying facility in accordance with Subsections A - G of VI.

(2) The tariff filed by each cooperative pursuant to Subsection H of 17.9.570.13 NMAC shall include the offer to any qualifying facility that has not contracted to receive capacity payments, the metering options in Subsections B, C and D of VI.

(3) The options of Subsections B, C and D of VI may involve time-of-day metering if the cooperative has in effect time-differentiated rates and metering for the class of customer to which the qualifying facility belongs or if the parties negotiate time-differentiated payments to the qualifying facility.

B. Load Displacement Option. If the qualifying facility wishes primarily to serve its own load, the cooperative shall agree to interconnect with a single meter or meter set measuring flow from the cooperative to the qualifying facility; billing for any power from the cooperative will be at the cooperative's approved tariff applicable to the service provided to the qualifying facility; there will be no additional customer charge and no payment by the cooperative for any excess energy which might be generated by the qualifying facility.

C. Net Metering Option.

(1) The cooperative shall install the metering necessary to determine the net energy delivered from the qualifying facility to the cooperative or from the cooperative to the qualifying facility for each time-of-use or single rate period, as

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applicable, during a billing period; the net energy delivered to either the qualifying facility or to the cooperative is the difference between the energy produced by the qualifying facility's generation and the energy that would have otherwise been supplied by the cooperative to the qualifying facility absent the qualifying facility's generation.

(2) The net energy delivered from the qualifying facility to the cooperative shall be purchased by the cooperative at the cooperative's applicable time-of-use or single period energy rate as described in Subsection B of V.; the qualifying facility shall be billed for the net energy delivered from the cooperative in accordance with the tariffs that are applicable to the qualifying facility absent the qualifying facility's generation; the qualifying facility shall also be billed for all demand and other charges in accordance with the applicable tariffs. At the end of the billing period the cooperative shall net all charges owed to the cooperative by the qualifying facility and all payments owed by the cooperative to the qualifying facility. If a net amount is owed to the qualifying facility for the billing period, and is less than \$50, the payment amount may be carried over to the following billing period. If a net amount is owed to the qualifying facility and is \$50 or more, the cooperative shall make payment to the qualifying facility prior to the end of the next billing period.

(3) If provision of the net metering option requires metering equipment and related facilities that are more costly than would otherwise be necessary absent the requirement for net metering, the qualifying facility shall pay all incremental costs associated with installing the more costly metering equipment and facilities. An additional customer charge to cover the added costs of billing and administration may be included in the tariff if supported with evidence of need for such charge.

D. Separate Load Metering (simultaneous buy/sell) Option. The cooperative shall install the metering necessary to determine separately 1) all the energy produced by the qualifying facility's generator and 2) all of the power consumed by the qualifying facility's loads; the cooperative shall purchase all energy produced by the qualifying facility's generator at the cooperative's applicable time-of-use or single period energy rate as described in Subsection B of V. The qualifying facility shall purchase all power consumed at its normally applicable rate; an additional customer charge to cover the added costs of billing and administration may be included in the tariff if supported with evidence of need for such charge.

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STANDARD TARIFF FOR PURCHASE OF ENERGY
FROM QUALIFYING FACILITIES 10 MW OR LESS

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- E. Metering Configurations.** Metering configurations used to implement the provisions of 17.9.570 NMAC shall be reasonable, nondiscriminatory, and shall not discourage cogeneration or small power production.
- V. DETERMINATION OF RATES FOR PURCHASES FROM QUALIFYING FACILITIES:**
- A. General.** A cooperative shall pay a qualifying facility avoided costs for power purchased from the qualifying facility. Avoided costs are the incremental costs to the cooperative of electric energy or capacity or both which, but for the purchase from the qualifying facility or qualifying facilities, the cooperative would generate itself or purchase from another source. The energy rate represents avoided energy costs for the purposes of 17.9.570 NMAC. The energy rate and the avoided capacity costs to be paid to the qualifying facility for the power it sells to the cooperative shall be developed pursuant to Subsections B and C of V, respectively.
- B. Energy Rate.** The energy rate to be paid for the energy supplied by the qualifying facility in any month shall be that respective month's rate from the cooperative's current schedule on file with the commission. Each cooperative shall file with the commission its schedule containing monthly energy rates that will be applicable to the next twelve-month period. These monthly energy rates shall be listed for each voltage level of interconnection and shall be expressed in cents/kWh. Each month's energy rate contained in the schedule shall be the average of the economy energy purchases by the cooperative for the corresponding month of the immediately preceding twelve-month period. In the event a cooperative does not engage in economy energy purchases in any given month, the energy rate to be included in its schedule for that month shall be either: the monthly average of hourly incremental energy costs including variable operation and maintenance expenses for generating utilities, or the energy charge of the highest energy cost contract as adjusted for appropriate retail fuel and purchase power pass through for nongenerating utilities.
- (1) In addition to the schedule described above, those utilities with retail time-of-use rates on file with the commission shall file schedules reflecting monthly energy rates calculated for peak periods only and off-peak periods only which shall be applied to qualifying facilities whose generation is limited to peak periods only or off-peak periods only. Peak and off-peak periods shall be as defined in the cooperative's retail tariffs on file with the commission.

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(2) Within sixty (60) days of the effective date of 17.9.570 NMAC each electric cooperative subject to the rule shall file with the commission the schedule containing rates to be offered along with detailed supporting workpapers showing the input data and calculations. After the first submittal each cooperative shall update its filing within thirty (30) days from the last day of its fiscal year.

(3) Variable operation and maintenance rates used for the above computations shall be the basis for requested variable operation and maintenance rates in the cooperative's future rate cases.

(4) The schedules containing energy rates developed pursuant to Subsections B and C of V shall be part of the tariff to be filed pursuant to Subsection H of VII. The energy rate contained in the schedules shall include the savings attributable to the avoidance of losses due to transmission, distribution, and transformation as applicable for different voltage levels of interconnection. These transmission, distribution, and transformation loss avoidance savings for different voltage levels of interconnection shall be obtained from the cooperative's filing in the last commission-decided rate case, and those figures shall be shown in the cooperative's submittal.

C. Avoided Capacity Costs.

(1) A qualifying facility is entitled to receive payments for capacity when such capacity purchase by the cooperative from the qualifying facility enables the cooperative to avoid procurement of new capacity. The avoided capacity costs of a cooperative will be determined by the commission on a case-by-case basis based on the costs associated with a "new capacity addition" for the cooperative.

(2) Within sixty (60) days of the effective date of 17.9.570 NMAC each cooperative subject to the provisions of 17.9.570 NMAC shall file a schedule with the commission showing capacity, capital costs, and fixed operation, maintenance, and demand charges, as applicable, of the existing capacity resources by generating unit and by contract. After the first submittal each cooperative shall update its filing within thirty (30) days from the last day of every fiscal year. Utilities transferring their purchase obligation pursuant to Subsection F of VII need not file this schedule. A cooperative which has obtained a limited variance from the provisions of Subsection F shall note that the variance obtained applies to qualifying facilities contracting to supply energy

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only. Each cooperative subject to the provisions of 17.9.570 NMAC shall notify the commission of any planned "new capacity addition" with relevant details on timing, size, capital costs, fixed operation and maintenance costs, property taxes, insurance, energy costs, variable operation and maintenance costs, and capital carrying costs if the "new capacity addition" is to be made by the cooperative's own generation. If the "new capacity addition" is made by a power sales agreement or other such agreement, the cooperative shall give the relevant details of the transaction such as demand and energy charges and term of the agreement. Notification to the commission shall be made as soon as possible after the cooperative's decision but in no case later than one (1) year prior to the date of a "new capacity addition". Failure to provide adequate notice may result in the cooperative being unable to recover the costs of the "new capacity addition" in rates even if such an addition meets all the other regulatory criteria for recoverability.

(3) Based on the information contained in the cooperative's notification and subject to a hearing thereon, the commission will determine the avoided capacity costs for that cooperative. The cooperative shall be obligated to make payments for capacity only up to the amount of capacity associated with the "new capacity addition."

D. Negotiations. Notwithstanding the provisions of 17.9.570 NMAC, a cooperative and qualifying facility may at the qualifying facility's option negotiate rates for the power to be supplied by the qualifying facility. Such negotiated rates shall be filed with the commission within thirty (30) days of the execution of the contract. The contract shall not contain any rate which is higher than the cooperative's avoided costs as defined in 17.9.570 NMAC.

[
VI. OBLIGATION TO SELL:

A. Rates to be Offered. Utilities are required to provide supplementary power, backup power, maintenance power, and interruptible power to qualifying facilities irrespective of whether the production and consumption functions of the qualifying facility are singly or separately owned. The rates for supplementary power, backup power, maintenance power, and interruptible power shall be calculated as provided for in this Section VI. and included in the tariff for each cooperative to be filed pursuant to 17.9.570 NMAC. Utilities may charge a facilities fee for equipment dedicated to the customer pursuant to the cooperative's rate schedules and rules governing the cooperative's practices for recovering such costs. The computation of the facilities fee

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shall take into account the costs of facilities already paid for by the customer before installing a qualifying facility.

B. Supplementary Power.

(1) Qualifying facilities shall be entitled to supplementary power under the same retail rate schedules that would be applicable to those retail customers having power requirements equal to the supplementary power requirements of the qualifying facility. Any ratchet enforced through the "billing demand" provisions of such retail schedules shall also apply.

(2) To determine the amount of supplementary power required, supplementary power shall be measured to each qualifying facility through appropriate metering devices which are adequate to determine whether supplementary or backup power is being utilized. The demand interval used shall be the same as that contained in the applicable retail rate schedule.

C. Backup Power.

(1) Qualifying facilities shall be entitled to backup power for forced outages under the same retail rate which would be applicable absent its qualifying facility generation. Rates for sale of backup power shall not contain demand charges in time periods when demand charges are not applicable to such retail rate schedule. Rates for backup power shall not contain demand ratchets or power factor penalties. If the cooperative can demonstrate that a particular qualifying facility has caused either a demand ratchet or a power factor penalty clause between the cooperative and its power supplier(s) to be invoked because of the qualifying facility's operation, the cooperative may petition the commission to allow the allocable charges resulting from the demand ratchet or power factor penalty which has been invoked to be included in the rates for that particular qualifying facility.

(2) In the months that backup power is not utilized by the qualifying facility the rates for backup power may contain a monthly reservation fee which shall not exceed ten percent (10%) of the monthly demand charge contained in the retail rate schedule which would be applicable to the consumer absent its qualifying facility generation. Such a

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reservation fee shall not be charged while a qualifying facility is taking backup power or while charges resulting from a power factor penalty and/or demand ratchet have/has been imposed pursuant to Paragraph (1) of Subsection C of V.

C. Maintenance Power.

(1) Maintenance power shall be provided to qualifying facilities for periods of maintenance scheduled in advance with the concurrence of the cooperative. A qualifying facility shall schedule such maintenance with the cooperative by giving the cooperative advance notice dependent on the length of the outage as follows:

<u>Length of Outage*</u>	<u>Advance Notice*</u>
1 day	5 days
2 to 5 days	30 days
6 to 30 days	90 days
*All days are calendar days.	

(2) Maintenance power rates shall be the same as the retail rate which would be applicable to the qualifying facility absent its qualifying facility generation. The maintenance power demand charge shall be determined by multiplying the applicable retail demand charge by the ratio of the number of weekdays in which the maintenance power was taken to the number of weekdays in the month. No demand charge shall apply for maintenance power taken during off-peak hours as defined in the cooperative's retail tariffs. For those utilities which do not have time-of-use rates, off-peak hours are defined as 11:00 p.m. to 7:00 a.m. weekdays, twenty-four (24) hours per day on weekends and holidays.

(3) Maintenance power shall be available to qualifying facilities for a minimum period of thirty (30) days per year scheduled outside of the system peak period of the cooperative which is defined as the three-month period covering the peak month together with the preceding and succeeding months.

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E. Interruptible Power. All utilities shall file rates for interruptible power which shall be available to qualifying facilities. Rates for such interruptible power purchases shall reflect the lower costs, if any, which the cooperative incurs in order to provide interruptible power as opposed to what it would incur to provide firm power.

F. Customer Charges. The customer charges from a cooperative for a qualifying facility shall be the same as the retail rate applicable to the customers in the same rate class absent its qualifying facility generation.

G. Exceptions. An electric cooperative shall not be required to provide supplementary power, backup power, maintenance power, or interruptible power to a qualifying facility if, after notice in the area served by the electric cooperative and after opportunity for public comment, the electric cooperative demonstrates and the commission finds that provision of such power would:

- (1) impair the electric cooperative's ability to render adequate service to its customers; or
- (2) place an undue burden on the cooperative.

VII. PERIODS WHEN PURCHASES AND SALES ARE NOT REQUIRED AND GENERAL PROVISIONS:

A. System Emergencies.

(1) During any system emergency a cooperative may discontinue on a nondiscriminatory basis:

- (a) purchases from a qualifying facility if such purchases would contribute to such emergency, and
- (b) sales to a qualifying facility provided that such discontinuance is on a previously established nondiscriminatory basis.

(2) A qualifying facility shall be required to provide power to a cooperative during a system emergency only to the extent:

- (a) provided by agreement between the qualifying facility and the cooperative; or

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(b) ordered pursuant to the provisions of the Federal Power Act, 16 U.S.C. Section 824a(c).

B. Operational Circumstances. The cooperative may discontinue purchases from the qualifying facility during any period in which, due to operational circumstances, purchases from qualifying facilities will result in costs greater than those which the cooperative would incur if it did not make such purchases but instead generated an equivalent amount of energy itself; a claim by an electric cooperative that such a period has occurred or will occur is subject to verification by the commission; the cooperative shall maintain and make available sufficient documentation to aid the commission with verification proceedings.

C. Notification Requirements. Any cooperative which disconnects and thereby discontinues purchases or sales from a qualifying facility for the reasons cited in Subsections A and B of VII NMAC above shall notify the qualifying facility or facilities prior to the system emergency or operational circumstance if reasonably possible. If prior notice is not reasonably possible the cooperative shall notify the qualifying facility by telephone or personal contact within forty-eight (48) hours following the system emergency or operational circumstance followed by written communication if requested by the qualifying facility. Any notification shall include the specific reason for the system emergency or operational circumstance.

D. Penalty. Any cooperative which fails to comply with the notification requirements in Subsection C of 17.9.570.13 NMAC or fails to demonstrate the existence of a system emergency or operational circumstance which warrants the discontinuance of purchases shall pay for the qualifying facility's imputed or expected power at the applicable rate as if the system emergency or operational circumstance had not occurred. The cooperative may also be subject to a penalty under NMSA 1978, Section 62-12-4 as amended.

E. Wheeling of Power. If the qualifying facility agrees, an electric cooperative which would otherwise be obligated to purchase power from the qualifying facility may transmit power to any other electric cooperative. Any electric cooperative to which power is transmitted shall purchase such power as if the qualifying facility were supplying power directly to such electric cooperative. The rate for purchase by the electric cooperative to which such power is transmitted shall be adjusted up or down to reflect line losses pursuant to 18 C.F.R. Section 292.304(e)(4) and shall not include any charges for transmission.

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F. Distribution Cooperatives.

(1) A distribution cooperative having a full power requirements contract with its supplier has the option of transferring the purchase obligation pursuant to Section V to its power supplier. The qualifying facility will be paid the capacity and energy payments, as applicable, by the supplier pursuant to Section V. A distribution cooperative that does not transfer the purchase obligation to its power supplier shall have the option to:

(a) pay qualifying facilities the energy and/or capacity charges including appropriate fuel and purchase power pass-throughs it pays to its power supplier, or

(b) pay the qualifying facility the energy and/or capacity charges which shall be determined in accordance with Section V.

(2) The obligation to interconnect and provide supplementary, backup, and maintenance power either on a firm or on an interruptible basis shall remain with the distribution cooperative.

(3) Any municipal electric cooperative that does not have generating capacity but is subject to the jurisdiction of the commission shall be considered a distribution cooperative for the purposes of 17.9.570 NMAC.

G. Requirements to File Electric Cooperative System Data: not later than April 1 of each year each cooperative shall submit to the commission a report covering the previous calendar year which shall at a minimum provide:

(1) the name and address of each qualifying facility with which it is interconnected, with which it has a contract to interconnect, or with which it has concluded a wheeling agreement;

(2) annual purchases in kW and kWh from each qualifying facility with which it is interconnected and the amount of electricity wheeled on behalf of each qualifying facility;

(3) the price charged for any power wheeled on behalf of each qualifying facility;

(4) the methodology and assumptions used in the calculation of wheeling rates;

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- (5) amounts actually paid to each qualifying facility; and
- (6) a list of all applications for interconnection which the cooperative has rejected or otherwise failed to approve together with the reasons therefore.

H. Filing of Tariff.

(1) Within sixty (60) days of the adoption of this rule, each cooperative shall develop and file any changes to its tariffs on file with the commission needed to comply with the requirements set forth herein; such changes shall comply with all tariff filing requirements of the commission; such tariffs shall conform to the requirements of 17.1.210 NMAC, and shall become effective thirty (30) days after the filing thereof unless suspended by the commission pursuant to NMSA 1978, Section 62-8-7 as amended, or unless ordered effective at an earlier date by the commission.

(2) Within sixty (60) days of the adoption of the amendments to this rule, each cooperative shall develop and file tariffs for metering and billing consistent with this rule for generating facilities with rated capacities up to and including 10 kW; such tariffs shall comply with all tariff filing requirements of the commission; such tariffs shall conform to the requirements 17.1.210 NMAC, and shall become effective thirty (30) days after the filing thereof unless suspended by the commission pursuant to NMSA 1978, Section 62-8-7 as amended, or unless ordered effective at an earlier date by the commission.

I. Complaints and Investigations. The procedures set forth in NMSA 1978, Sections 62-8-7 and 62-10-1 as amended, and the complaint provisions of 1.2.2 NMAC shall be applicable for the resolution of complaints and investigations arising out of the implementation and conduct of 17.9.570 NMAC.

J. Severability. If any part of 17.9.570 NMAC or any application thereof is held invalid, the remainder or the application thereof to other situations or persons shall not be affected.

K. Amendment. The adoption of 17.9.570 NMAC shall in no way preclude the commission, after notice and hearing, from altering or amending any provision hereof or from making any modification with respect to its application deemed necessary.

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L. Exemption or Variance.

(1) Any interested person may file an application for an exemption or a variance from the requirements of 17.9.570 NMAC. Such application shall:

- (a) describe the situation which necessitates the exemption or variance;
- (b) set out the effect of complying with 17.9.570 NMAC on the cooperative and its customers if the exemption or variance is not granted;
- (c) identify the section(s) of 17.9.570 NMAC for which the exemption or variance is requested;
- (d) define the result which the request will have if granted;
- (e) state how the exemption or variance will promote the achievement of the purposes of 17.9.570 NMAC; and
- (f) state why no other reasonable alternative is available.

(2) If the commission determines that the exemption or variance is consistent with the purposes of the rule as defined herein, the exemption or variance may be granted. The commission may at its option require an informal conference or formal evidentiary hearing prior to the granting of the variance.

M. Motion for Stay Pending Amendment, Exemption, or Variance. An application for an amendment, exemption, or a variance may include a motion that the commission stay the application of the affected portion of 17.9.570 NMAC for the transaction specified in the motion.

VIII. NET METERING OF CUSTOMER-SITED QUALIFYING FACILITIES WITH A DESIGN CAPACITY UP TO AND INCLUDING 10KW

A. Relationship to Other Commission Rules. The standards and procedures for the interconnection of qualifying facilities subject to this Section VIII are set forth in 17.9.57X NMAC.

B. Use of a single meter. When the customer is billed under a rate structure that does not include time-of-use energy pricing, a single energy meter shall be used to implement net metering of a Qualifying Facility unless an alternate metering arrangement is agreed to by the customer and cooperative. If either the cooperative or the customer requests an alternate form of metering or additional metering that is not required to accomplish net metering or is for the convenience of the party, the party requesting the change in metering shall pay for the alternate or additional metering arrangement. If the customer elects to take electric service under any rate structure, including time-of-use,

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that requires the use of metering apparatus or a metering arrangement that is more costly than would otherwise be necessary absent the requirement for net metering, the customer shall be required to pay the additional incremental cost of the required metering equipment. Within ten (10) days of receiving notification from the customer of the intent to interconnect, the cooperative will notify the customer of any metering costs. Charges for special metering costs shall be paid by the customer, or arrangements for payment agreed to between the customer and cooperative, prior to the cooperative authorizing interconnected operation.

C. Net Metering Calculation. The cooperative shall calculate each customer's bill for the billing period using net metering and with the following conditions:

(1) Customers shall be billed for service in accordance with the rate structure and monthly charges that the customer would be assigned if the customer had not interconnected a qualifying facility. Net energy produced or consumed on a monthly basis shall be measured in accordance with standard metering practices.

(2) If electricity supplied by the cooperative exceeds electricity generated by the customer during a billing period, the customer shall be billed for the net energy supplied by the cooperative under the applicable rates.

(3) If electricity generated by the customer exceeds the electricity supplied by the grid during a billing period, the cooperative shall credit the customer on the next bill for the excess kilowatt-hours generated, by:

a. crediting or paying the customer for the net energy supplied to the cooperative at the cooperative's energy rate pursuant to this 17.9.570 NMAC; or

b. crediting the customer for the net kilowatt-hours of energy supplied to the cooperative. Unused credits shall be carried forward from month to month; provided that if a cooperative opts to credit customers and the customer leaves the system, customer's unused credits for excess kilowatt-hours generated shall be paid to the customer at the cooperative's energy rate pursuant to this 17.9.570 NMAC.

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