

SOUTHWESTERN PUBLIC SERVICE COMPANY

**FOURTH REVISED RATE NO. 59
CANCELING THIRD RATE NO. 59**

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DISTRIBUTED GENERATION STANDBY SERVICE RIDER

Tariff No. 5011.4

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APPLICABILITY: Applicable to Residential, Small General Service, Irrigation, and Small Municipal and School Service Customers participating in any of the Renewable Distributed Generation Programs available under Company's tariffs, and all other Residential, Small General Service, Irrigation, and Small Municipal and School Service Customers not participating in these programs, but who have installed Renewable Distributed Generation Systems under Company's Interconnection Agreement. All power supplied by Company shall be provided by Company under the applicable standard Service Schedules for the Service Class under which Customer falls.

RATE: Production Standby Charge (PSC) + Transmission and Distribution Standby Charge (TDSC), as defined below

DEFINITIONS

Customer Usage (CU). Monthly kWh from Monthly Actual Production used by the Customer with Distributed Generation, either used directly from Customer's Distributed Generation, or applied as an offset to kWh delivered from SPS distribution system.

Production Capacity Cost per kWh (P). Company cost per kWh for Production Facilities, by Customer class:

Residential	\$0.011581
Small General	\$0.009675
Irrigation	\$0.014098
Small Municipal and School	\$0.008643

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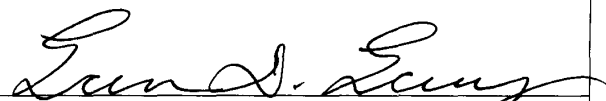
Production Capacity Unavailability (UF) Percentage of production capacity, shown below, that Company must have standing by to serve Customer's type of Renewable Distributed Generation.

For a Solar System	53.0 %
For a Biomass System	30.0 %
For a Wind System	94.9 %

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Production Standby Charge (PSC). The monthly standby charge for production facilities, calculated under the following formula:

$$PSC = P \times UF \times CU$$

Transmission and Distribution Standby Capacity Cost per kWh (TD) Company cost per kWh for Transmission and Distribution Facilities, by Customer class:

Residential	\$0.034777
Small General	\$0.025693
Irrigation	\$0.037218
Small Municipal and School	\$0.025114

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Transmission and Distribution Standby Charge (TDSC). The monthly standby charge for transmission and distribution facilities, calculated under the following formula:

$$TDSC = TD \times CU$$

METER INSTALLATION: Company shall install, own, operate, and maintain, the metering to measure the electric power and energy supplied to Customer to allow for proper billing of the separate Applicable Tariff and Standby Service demands and usage hours identified above.

As a result of the electrical or physical configuration of Customer's generation facility, Company may determine that it is more practical or economical to use generation metering installed and owned by Customer, rather than Company-owned metering equipment. If Company, at its sole discretion, makes such a determination, then Customer-owned generation metering may be used for the billing purposes, so long as such metering equipment meets Company's standards for quality and accuracy.

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METER INSTALLATION (cont.):

If through the course of Company's evaluation of the metering requirements for the generation meter(s), Company determines, at its sole discretion that it is impracticable, uneconomical or unnecessary to install metering on Customer's generator(s), Company shall determine the billing for the provision of the Standby Service tariff on an un-metered and calculated basis. This determination can only be made if the only electrical load located at Customer's site is station power equipment as defined by the Federal Energy Regulatory Commission. Regardless of the Company's ultimate determination of the requirement (or lack thereof) for installation of the generation metering, a meter will always be required at the point of interconnection between the company and Customer and such meter will measure both delivered and received capacity and energy.

FRANCHISE FEE: All current and future franchise fees not included in base rates shall be separately assessed in the municipality where the franchise fee is authorized. Bills computed under the above rate will be increased by the additional franchise fees imposed by the appropriate municipality or taxing authority in which jurisdiction Customer's consuming facility resides, when applicable. The franchise fee will appear on the bill as a separate line item.

TERMS OF PAYMENT:

Residential – Net bill due in 20 days after the mailing date. If the twentieth day falls on a holiday or weekend, the date will be the next workday.

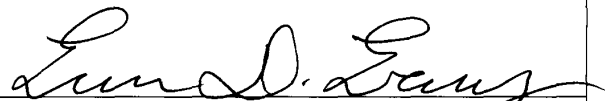
Commercial or governmental – Net bill due in 15 days after mailing date. 2% added to bill after 15 days.

RULES, REGULATIONS, AND CONDITIONS OF SERVICE: Service supplied under this schedule is subject to the terms and conditions set forth in Company's Rules, Regulations, and Conditions of Service on file with the New Mexico Public Regulation Commission.

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