



TEXAS- NEW MEXICO POWER COMPANY

577 N. Garden Ridge Blvd.
Lewisville, Texas 75067

TARIFF FOR RETAIL DELIVERY SERVICE

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CHAPTER 1: DEFINITIONS

The following definitions apply to Company's Tariff for Delivery Service, including the service rules and regulations, policies, Rate Schedules and Riders, and to any Service Agreements made pursuant to this Tariff, unless specifically defined otherwise therein.

ACTUAL METER READING. A Meter Reading whereby Company has collected information from the Meter either manually or through a direct reading, through telemetry, or other electronic communications.

ADVANCED METERING SYSTEM (AMS). As defined in P.U.C. SUBST. R. 25.130, Advanced Metering.

AMS-M METER. A Meter that has all the functionality of a Standard Meter except for remote disconnection and reconnection.

ADVANCED METERING SYSTEM (AMS) OPERATIONAL DAY. Any day but Sunday or a holiday as defined in Section 3.18, HOURS OF OPERATION.

AFFILIATED RETAIL ELECTRIC PROVIDER. A Retail Electric Provider that is affiliated with or the successor in interest of an electric utility certificated to serve an area.

APPLICABLE LEGAL AUTHORITIES. A Texas or federal law, rule, regulation, or applicable ruling of the Commission or any other regulatory authority having jurisdiction, an order of a court of competent jurisdiction, or a rule, regulation, applicable ruling, procedure, protocol, guide or guideline of the Independent Organization, or any entity authorized by the Independent Organization to perform registration or settlement functions.

BANKING HOLIDAY. Any day on which the bank designated by Company as the repository for payment of funds due to Company under this Tariff is not open for business.

BILLING DEMAND. Demand used for billing purposes as stated in the applicable Rate Schedule or Rider.

BILLING DETERMINANTS. Measured, calculated, or specified values used to determine Company's Delivery Charges that can be transmitted to the CR on an approved TX SET electronic transaction. These values may include, but are not limited to, measurements of kilowatt-hours (kWh), actual monthly Non-Coincident Peak (NCP) Demand, annual NCP Demand, annual 4-CP Demand (coincident peak for four

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summer months), Billing Demand, Power Factor, fixed charges, number of lamps, Rate Schedules, and rate subclass.

BUSINESS DAY. Any day that Company's corporate offices are open for business, in accordance with Section 3.18, HOURS OF OPERATION.

CENTRAL PREVAILING TIME, CPT. As established by national time standards, either Central Standard Time or Central Day-Light time.

CHRONIC CONDITION RESIDENTIAL CUSTOMER. As defined in P.U.C. SUBST. R. 25.497, Critical Load Industrial Customers, Critical Load Public Safety Customers, Critical Care Residential Customers, and Chronic Condition Residential Customers.

CODES. Federal, state, or local laws, or other rules or regulations governing electrical installations.

COMMISSION, PUC, or PUCT. The Public Utility Commission of Texas.

COMPANY. The transmission and distribution utility providing Delivery Service pursuant to this Tariff, and its respective officers, agents, employees, successors, and assigns.

COMPANY'S DELIVERY SYSTEM. The portion of the Delivery System that is owned by Company.

COMPETITIVE RETAILER (CR). A Retail Electric Provider, or a Municipally Owned Utility, or an Electric Cooperative that offers customer choice in the restructured competitive electric power market or any other entity authorized to provide Electric Power and Energy in Texas. For purposes of this Tariff, a Municipally Owned Utility or an Electric Cooperative is only considered a Competitive Retailer where it sells retail Electric Power and Energy outside its certified service territory.

CONSTRUCTION SERVICE. Services related to the construction, extension, installation, modification, repair, upgrade, conversion, relocation, or removal of Delivery System facilities, including temporary facilities.

CONSTRUCTION SERVICE CHARGE. Commission authorized charges to recover costs associated with Construction Services.

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CRITICAL CARE RESIDENTIAL CUSTOMER. As defined in P.U.C. SUBST. R. 25.497, Critical Load Industrial Customers, Critical Load Public Safety Customers, Critical Care Residential Customers, and Chronic Condition Residential Customers.

CRITICAL LOAD INDUSTRIAL CUSTOMER. As defined in P.U.C. SUBST. R. 25.497, Critical Load Industrial Customers, Critical Load Public Safety Customers, Critical Care Residential Customers, and Chronic Condition Residential Customers .

CRITICAL LOAD PUBLIC SAFETY CUSTOMER. As defined in P.U.C. SUBST. R. 25.497, Critical Load Industrial Customers, Critical Load Public Safety Customers, Critical Care Residential Customers, and Chronic Condition Residential Customers.

DELIVERY. The movement of Electric Power and Energy through Company's electric lines and other equipment, including transformers, from the Point of Supply to the Point of Delivery.

DELIVERY CHARGES. Commission authorized rates and charges for the use of Company's Delivery System. Delivery Charges are comprised of Delivery System Charges and Discretionary Charges.

DELIVERY SERVICE. The service performed by Company pursuant to this Tariff for the Delivery of Electric Power and Energy. Delivery Service comprises Delivery System Services and Discretionary Services.

DELIVERY SERVICE AGREEMENT. The standard, pro-forma document set forth in this Tariff in which Company and Competitive Retailer agree to be bound by the terms and conditions of Company's Tariff.

DELIVERY SYSTEM. The electric lines, and other equipment, including transformers, owned by Company and the Meters, including Non-Company Owned Meters, used in the Delivery of Electric Power and Energy.

DELIVERY SYSTEM CHARGES. Commission authorized charges to recover costs associated with Delivery System Services.

DELIVERY SYSTEM SERVICES. Delivery Services whose costs are attributed to all Retail Customers that receive Delivery Service from Company and charged to Competitive Retailers serving Retail Customers under the Rate Schedules specified in Section 6.1.1, DELIVERY SYSTEM CHARGES. Delivery System

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Services are all Tariffed Delivery Services provided by Company that are not specifically defined as Discretionary Services.

DEMAND. The rate at which electric energy is used at any instant or averaged over any designated period of time and which is measured in kW or kVA.

DEMAND RATCHET. As defined in P.U.C. SUBST. R. 25.244, Billing Demand for Certain Utility Customers.

DISCRETIONARY SERVICE CHARGES. Commission authorized charges to recover costs associated with Discretionary Services.

DISCRETIONARY SERVICES. Customer-specific services for which costs are recovered through separately priced Rate Schedules specified in Chapter 6.

ELECTRIC COOPERATIVE. An electric cooperative as defined in PURA §11.003(9), Definitions.

ELECTRIC POWER AND ENERGY. The kWh, the rate of Delivery of kWh, and ancillary services related to kWh that a Competitive Retailer provides to Retail Customers.

ELECTRIC RELIABILITY COUNCIL OF TEXAS (ERCOT). The Electric Reliability Council of Texas, Inc. as defined in P.U.C. SUBST. R. 25.5, Definitions.

ELECTRIC SERVICE IDENTIFIER or ESI ID. The basic identifier assigned to each Point of Delivery used in the registration system and settlement system managed by ERCOT or another Independent Organization.

ESTIMATED METER READING. The process by which Billing Determinants are estimated when an Actual Meter Reading is not obtained.

FACILITY EXTENSION POLICY. The Company policy that covers such activities as extensions of standard facilities, extensions of non-standard facilities, extensions of facilities in excess of facilities normally provided for the requested type of Delivery Service, upgrades of facilities, electric connections for temporary services, and relocation of facilities.

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FACILITY EXTENSION AGREEMENT. The Service Agreement pursuant to this Tariff that must be executed by Company and the entity (either a Retail Customer or Retail Electric Provider) requesting certain Construction Services before Company can provide such Construction Services to the requesting entity.

FIELD OPERATIONAL DAY. Any day but Saturday, Sunday, or a holiday designated in or pursuant to Section 3.18, HOURS OF OPERATION.

FIRST AVAILABLE SWITCH DATE (FASD). As defined in ERCOT Nodal Protocols Section 15, CUSTOMER REGISTRATION.

GOOD UTILITY PRACTICE. As defined in P.U.C. SUBST. R. 25.5, Definitions.

INDEPENDENT ORGANIZATION or IO. The organization authorized to perform the functions prescribed by PURA §39.151.

INTERVAL DATA. Meter data that reports electricity usage in 15-minute intervals.

INTERVAL DATA RECORDER (IDR) METER. Metering Equipment that is designed to provide Interval Data and does not otherwise qualify as a Standard Meter or an AMS-M Meter.

KILOVOLT-AMPERES (kVA). 1,000 volt-amperes.

KILOWATT (kW). 1,000 watts.

KILOWATT-HOUR (kWh). 1,000 watt-hours.

LOAD FACTOR. The ratio, usually stated as a percentage, of actual kWh used during a designated time period to the maximum kW of Demand times the number of hours occurring in the designated time period.

METER or BILLING METER. A device, or devices for measuring the amount of Electric Power and Energy delivered to a particular location for Company billing, CR billing and as required by ERCOT. Meters for residential Retail Customers shall be Company owned unless otherwise determined by the Commission. Commercial and industrial Retail Customers required by the Independent Organization to have an IDR Meter may choose a Meter Owner in accordance with P.U.C. SUBST. R. 25.311, Competitive Metering Services.

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METER DATA. The data contained within, or generated by, the Meter that is used by Company to calculate charges for service pursuant to this Tariff. This term includes Interval Data.

METER OWNER. Entity authorized by the Retail Customer to own the Meter. Entity could be Retail Customer, Competitive Retailer, or other entity designated by the Retail Customer as permitted by Applicable Legal Authorities. If the Retail Customer is not eligible for competitive metering or does not choose to participate in competitive metering, the Meter Owner shall be Company.

METER READING. The process whereby Company collects the information recorded by a Meter. Such reading may be obtained manually, through telemetry or other electronic communications, or by estimation, calculation or conversion in accordance with the procedures and practices authorized under this Tariff.

METER READING SCHEDULE. No later than December 15 of each calendar year, Company shall post its schedule for reading each Meter on its website so that Competitive Retailers and Retail Customers may access it. Company shall notify Competitive Retailer of any changes to this schedule 60 days prior to the proposed change. Company is responsible for reading the Meter within two Business Days of the date posted in this schedule.

METER REMOVAL. Removal of a Meter by Company as authorized under this Tariff.

METERING EQUIPMENT. Required auxiliary equipment that is owned by Company and used with the Billing Meter to accurately measure the amount of Electric Power and Energy delivered. Metering equipment under this definition does not include communication, storage, and equipment necessary for customer access to data.

MUNICIPALLY OWNED UTILITY. A utility owned, operated, and controlled by a municipality or by a nonprofit corporation, the directors of which are appointed by one or more municipalities, as defined in PURA §11.003(11), Definitions.

NON-BUSINESS DAY. Any day that Company's corporate offices are not open for business, in accordance with Section 3.18, HOURS OF OPERATION.

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NON-COMPANY OWNED METER. A Meter on the ERCOT-approved competitive Meter list that is owned by an entity other than the Company. Unless otherwise expressly provided herein, a Non-Company Owned Meter shall be treated under this Tariff as if it were a Meter owned by the Company.

NON-STANDARD METER. A Meter that is not a Standard Meter because it lacks the ability to provide one or more of the following functions: automated or remote Meter Reading, two-way communications, remote disconnection and reconnection capability, or the capability to provide Interval Data. A Non-Standard Meter includes a Meter that is otherwise a Standard Meter but has one or more of the aforementioned functionalities disabled.

NON-STANDARD METERING SERVICE. Service using a Non-Standard Meter.

POINT OF DELIVERY. The point at which Electric Power and Energy leaves the Delivery System.

POINT OF SUPPLY. The point at which Electric Power and Energy enters the Delivery System.

POWER FACTOR. The ratio of real power, measured in kW, to apparent power, measured in kVA, for any given load and time, generally expressed as a percentage.

PREMISES. A tract of land or real estate or related commonly used tracts, including buildings and other appurtenances thereon.

PROVIDER OF LAST RESORT (POLR). A REP certified in Texas that has been designated by the Commission to provide a basic, standard retail service package to requesting or default customers.

PUBLIC UTILITY REGULATORY ACT (PURA). Public Utility Regulatory Act, Texas Utilities Code, Title II.

RATE SCHEDULE. A statement of the method of determining charges for Delivery Service, including the conditions under which such charges and method apply. As used in this Tariff, the term Rate Schedule includes all applicable Riders.

REGISTRATION AGENT. Entity designated by the Commission to administer settlement and Premises data and other processes concerning a Retail Customer's choice of Competitive Retailer in the competitive retail electric market in Texas.

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RETAIL CUSTOMER. An end-use customer who purchases Electric Power and Energy and ultimately consumes it. Whenever used in the context of Construction Services, the term Retail Customer also includes property owners, builders, developers, contractors, governmental entities, or any other organization, entity, or individual that is not a Competitive Retailer making a request for such services to the Company. For purposes of Sections 4.2.1 and 5.2.1 of Company's Tariff, Retail Customer includes any organization, entity, or individual who consumes Electric Power and Energy but does not purchase it and includes, but is not limited to, guests, occupants, and tenants.

RETAIL CUSTOMER'S ELECTRICAL INSTALLATION. All conductors, equipment, or apparatus of any kind on Retail Customer's side of the Point of Delivery, except the Meter and Metering Equipment, used by or on behalf of Retail Customer in taking and consuming Electric Power and Energy delivered by Company.

RETAIL CUSTOMER'S ELECTRICAL LOAD. The power and energy required by all motors and other electricity-consuming devices located on Retail Customer's Premises that are operated simultaneously using Electric Power and Energy delivered by Company.

RETAIL ELECTRIC PROVIDER or REP. As defined in PURA §31.002(17), Definitions.

RETAIL SEASONAL AGRICULTURAL CUSTOMER. A customer whose Demand is subject to significant seasonal variation and that is primarily engaged in producing crops or processing crops subsequent to their harvest to prepare or store them for market or other processing, including, but not limited, to cotton ginning, irrigation, and the drying or storing of rice and grain. To be qualified as an irrigation customer under this definition, the pumping load must be for water that is used to raise agricultural crops.

RIDER. An attachment to a Rate Schedule that defines additional service options, pricing, conditions, and limitations for that class of service.

SCHEDULED METER READING DATE. Date Company is scheduled to read the Meter according to the Meter Reading Schedule.

SERVICE AGREEMENT. Any Commission-approved agreement between Company and a Retail Customer or between Company and a Competitive Retailer, which sets forth certain information, terms, obligations and/or conditions of Delivery Service pursuant to the provisions of this Tariff.

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SERVICE CALL. The dispatch of a Company representative to a Delivery Service address or other designated location for investigation of a complete or partial service outage, irregularity, interruption or other service related issue.

STANDARD METER. A Meter that the Company has deployed in accordance with P.U.C. SUBST. R. 25.130(d), with the capabilities defined in P.U.C. SUBST. R. 25.130(g), including automated or remote Meter Reading, two-way communications, remote disconnection and reconnection capability, and the capability to provide Interval Data.

SWITCHING FEE. Any fee or charge assessed to any Retail Customer or Competitive Retailer upon switching the Competitive Retailer that does not relate to recovering any utility cost or expenses already included in Commission-approved Delivery Charges included in Chapter 6 of this Tariff.

TAMPER or TAMPERING. Any unauthorized alteration, manipulation, change, modification, or diversion of the Delivery System, including Meter and Metering Equipment, that could adversely affect the integrity of billing data or the Company's ability to collect the data needed for billing or settlement. Tampering includes, but is not limited to, harming or defacing Company facilities, physically or electronically disorienting the Meter, attaching objects to the Meter, inserting objects into the Meter, altering billing and settlement data or other electrical or mechanical means of altering Delivery Service.

TARIFF. The document filed with, and approved by, the PUC pursuant to which Company provides Delivery Service. It is comprised of Rate Schedules, Riders, and service rules and regulations. The service rules and regulations include definitions, terms and conditions, policies, and Service Agreements.

TEXAS SET, TX SET or SET. A Standard Electronic Transaction as defined by the protocols adopted by the Commission or the Independent Organization.

TRANSITION CHARGES or TC. Charges established pursuant to a financing order issued by the Commission.

UNMETERED SERVICE. Delivery Service to Premises without a Meter.

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VALID INVOICE. An invoice transaction that contains all the information required by TX SET and is in compliance with TX SET standards as set forth in the TX SET Implementation Guides and Commission rules, and have not been rejected in accordance with the TX SET Implementation Guides and Commission Rules.

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Chapter 2: Description of Company's Certified Service Area

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CHAPTER 2: DESCRIPTIONS OF COMPANY'S CERTIFIED SERVICE AREA

This Tariff for Retail Delivery Service shall cover Delivery Service furnished by Texas-New Mexico Power Company ("Company") in the areas generally described below:

Areas Served:

A. Central Texas:

Counties	Municipalities	
Bosque	Bluffdale	Kopperl
Comanche	Blum	Lamkin
Coryell	Carlton	Meridian
Erath	Clifton	Mingus
Hamilton	Covington	Morgan
Hill	Crawford	Rio Vista
Hood	Gatesville	Santo
Johnson	Glen Rose	Strawn
McLennan	Gordon	Thurber
Palo Pinto	Gustine	Tolar
Somervell	Hamilton	Valley Mills
Stephens	Hico	Walnut Springs
	Iredell	Whitney

B. Southeast Texas:

Counties	Municipalities	
Brazoria	Alvin	La Marque
Galveston	Angleton	League City
Matagorda	Bailey's Prairie	Old Ocean
	Brazoria	Pearland
	Dickinson	Sweeny
	Friendswood	Texas City
	Hillcrest Village	West Columbia
	Holiday Lakes	

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C. North Texas:

Counties	Municipalities	
Archer	Aubrey	Lone Oak
Clay	Bagwell	Loving
Collin	Bailey	Lowry Crossing
Cooke	Belcherville	Megargel
Dallas	Bells	Montague
Denton	Blossom	Newcastle
Fannin	Blue Ridge	Nocona
Franklin	Bogata	Olney
Grayson	Bryson	Pattonville
Hunt	Byers	Petrolia
Jack	Celeste	Pilot Point
Lamar	Coppell	Point
Montague	Dean	Princeton
Raines	Deport	Randolph
Red River	Detroit	Ringgold
Titus	Eliasville	Saint Jo
Van Zandt	Emory	Sylvan
Young	Farmersville	Talco
	Fullbright	Tiogo
	Jean	Tom Bean
	Jermyn	Trenton
	Krugerville	Westminister
	Leonard	Whitewright
	Lewisville	

D. West Texas:

Counties	Municipalities	
Pecos	Barstow	Sanderson
Reeves	Fort Stockton	Toyah
Terrell	Kermit	Wickett
Ward	Pecos	Wink
Winkler		

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CHAPTER 3: GENERAL SERVICE RULES & REGULATIONS

3.1. APPLICABILITY

This Tariff governs the rates, terms of access and conditions of the provision of Delivery Service by Company to Competitive Retailers and Retail Customers. The provisions of this Tariff shall uniformly apply to all Competitive Retailers and Retail Customers receiving Delivery Service from Company. This Tariff does not apply to the provision of service to wholesale customers. To the extent that a financing order of the PUCT relating to securitization conflicts with any portion of this Tariff, the terms of such order shall be controlling.

Company will use reasonable diligence to comply with the operational and transactional requirements and timelines for provision of Delivery Service as specified in this Tariff and to comply with the requirements set forth by Applicable Legal Authorities to effectuate the requirements of this Tariff.

3.2 GENERAL

Company will construct, own, operate, and maintain its Delivery System in accordance with Good Utility Practice for the Delivery of Electric Power and Energy to Retail Customers that are located within the Company's service territory and served by Competitive Retailers. Company has no ownership interest in any Electric Power and Energy it delivers. Company will provide to all Competitive Retailers access to the Delivery System pursuant to this Tariff, which establishes the rates, terms and conditions, and policies for such access. Company will provide Delivery Services to Retail Customers and Competitive Retailers pursuant to this Tariff. Company shall provide access to the Delivery System on a nondiscriminatory basis to all Competitive Retailers and shall provide Delivery Service on a nondiscriminatory basis to all Retail Customers and Competitive Retailers.

This Tariff is intended to provide for uniform Delivery Service to all Competitive Retailers within Company's service area.

3.3 DESCRIPTION OF SERVICE

Company will provide Delivery Service for Electric Power and Energy of the standard characteristics available in the locality in which the Premises to be served are situated. All types of Delivery Service offered by Company are not available at all locations. Company will provide Delivery Service at Company's standard voltages. Requestors of Delivery Service should obtain from Company the phase and voltage of the service available before committing to the purchase of motors or other equipment, and Company is not responsible if the requested phase and voltage of service are not available. The

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standard Delivery System Service offered by Company is for alternating current with a nominal frequency of 60 hertz (cycles per second). Delivery Services may be provided at the secondary, primary, or transmission voltage level as specified under the appropriate Rate Schedule.

The provision of Delivery Service by Company is subject to the terms of any Service Agreements, the terms and conditions of this Tariff, and Applicable Legal Authorities.

3.4 CHARGES ASSOCIATED WITH DELIVERY SERVICE

All charges associated with a Delivery Service provided by Company must be authorized by the Commission and included as a Tariffed charge in Section 6.1, RATE SCHEDULES.

3.5 AVAILABILITY OF TARIFF

Copies of this Tariff are on file with the Commission and are also available for inspection at any business office of the Company. Company will provide a Competitive Retailer and Retail Customer, upon request and at no cost, a copy of the Rate Schedule under which Delivery Service is provided to Retail Customer. Additional copies of its Rate Schedules, or any portion of this Tariff, shall be provided by Company pursuant to the Rate Schedules included in this Tariff. Company shall post on its Internet site a copy of its current, complete Tariff in a standard electronic format for downloading free of charge.

3.6 CHANGES TO TARIFF

This Tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the laws of the State of Texas and the rules and regulations of the PUC, and such changes, when effective, shall have the same force and effect as the present Tariff. Company retains the right to file an application requesting a change in its rates, charges, classifications, services, rules, or any provision of this Tariff or agreement relating thereto and will comply with all laws and rules concerning the provision of notice concerning any such application. Any agreement made pursuant to this Tariff shall be deemed to be modified to conform to any changes in this Tariff as of the date of the effectiveness of such change. No agent, officer, director, employee, assignee or representative of Company has authority to modify the provisions of this Tariff or to bind Company by any promise or representation contrary to the terms of this Tariff except as expressly permitted by the PUC. In the event that Company determines it necessary to change its application of an existing Tariff provision, Company shall notify the designated contact of all Competitive Retailers certified to serve customers in its service territory, at least 30 Business Days in advance of any change in application of an existing Tariff provision.

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3.7 NON-DISCRIMINATION

Company shall discharge its responsibilities under this Tariff in a neutral manner, not favoring or burdening any particular Competitive Retailer or Retail Customer. Company will comply with Applicable Legal Authorities regarding relations with affiliates, or the Affiliated Retail Electric Provider in its service territory and, unless otherwise authorized by such Applicable Legal Authorities, will not provide its affiliates, or the Affiliated Retail Electric Provider in its service territory, or Retail Customers doing business with its affiliates, any preference over non-affiliated retailers or their Retail Customers in the provision of Delivery Services under this Tariff. Company shall process requests for Delivery Services in a non-discriminatory manner without regard to the affiliation of a Competitive Retailer or its Retail Customers, and consistent with Applicable Legal Authorities.

3.8 FORM AND TIMING OF NOTICE

A notice, demand, or request required or authorized under this Tariff to be given by any party to any other party shall be in paper format or conveyed electronically, as specified in the section of this Tariff requiring such notice. Electronic notice shall be given in accordance with the appropriate TX SET protocol if a TX SET transaction exists. If a TX SET transaction does not exist, electronic notice shall be provided to the authorized representative for the Competitive Retailer in accordance with Section 3.9. Any notice, demand, or request provided electronically, other than those for which a standard market transaction exists, shall be deemed delivered when received by the designated contact. Notice provided in paper format shall either be personally delivered, transmitted by telecopy or facsimile equipment (with receipt confirmed), sent by overnight courier or mailed, by certified mail, return receipt requested, postage pre-paid, to the designated contact. Any such notice, demand, or request in paper format shall be deemed to be given when so delivered or three days after mailed unless the party asserting that such notice was provided is unable to show evidence of its delivery. The designated contact is the contact designated in the Delivery Service Agreement or contact(s) otherwise agreed to by the parties, except that for notices required under Sections 4.4.6 and 4.6 of this Tariff, the "designated contact" shall be the contact(s) designated in the Delivery Service Agreement.

The timelines for the provision of notice from Company to Competitive Retailer are specified in applicable sections in this Tariff.

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3.9 DESIGNATION OF COMPANY CONTACT PERSONS FOR MATTERS RELATING TO DELIVERY SERVICE

Company shall designate a person(s) who will serve as the Company's contact for all matters relating to Delivery Service provided to Competitive Retailers. Company shall also designate a person(s) who will serve as the Company's contact for all matters relating to Delivery Service provided to Retail Customers. Company shall identify to the Commission a Delivery Service contact person(s), either by name or by title, and shall provide convenient access through its Internet website to the name or title, telephone number, mailing address and electronic mail address of its Delivery Service contact person(s). Company may change its designation by providing notice to the Commission, and Competitive Retailers utilizing Delivery Service by the Company, updating such information on the Company's website, and by direct notice to Retail Customer requesting Construction Service.

3.10 INVOICING TO STATE AGENCIES

Notwithstanding any provisions in this Tariff with respect to when invoices become past due and imposing an increased amount if invoices are not paid within a specified time, all invoices rendered directly to a "State Agency," as that term is defined in Chapter 2251 of the Texas Government Code, shall be due and shall bear interest if overdue as provided in Chapter 2251.

3.11 GOVERNING LAWS AND REGULATIONS

Company's provision of Delivery Service is governed by all Applicable Legal Authorities as defined herein. This Tariff is to be interpreted to conform therewith. Changes in applicable laws, rules, or regulations shall become effective with regard to this Tariff, and any Service Agreements made pursuant to it, as of the effective date of such law, rule, or regulation.

3.12 GOOD-FAITH OBLIGATION

Company, Competitive Retailer, and Retail Customer will cooperate in good-faith to fulfill all duties, obligations, and rights set forth in this Tariff. Company, Competitive Retailer, and Retail Customer will negotiate in good-faith with each other concerning the details of carrying out their duties, obligations, and rights set forth in this Tariff.

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3.13 QUALITY OF DELIVERY SERVICE

Company will use reasonable diligence to provide continuous and adequate Delivery of Electric Power and Energy in conformance with Applicable Legal Authorities, but Company does not guarantee against irregularities or interruptions.

3.14 COOPERATION IN EMERGENCIES

Company, Competitive Retailer, and any Retail Customer shall cooperate with each other, the Independent Organization, and any other affected entities in the event of an emergency condition affecting the Delivery of Electric Power and Energy or the safety and security of persons and property.

3.15 SUCCESSORS AND ASSIGNS

This Tariff shall inure to the benefit of, and be binding upon, Company, Competitive Retailer, and Retail Customer and their respective successors and permitted assigns.

3.16 EXERCISE OF RIGHT TO CONSENT

Company, Competitive Retailer, or Retail Customer shall not unreasonably withhold, condition, or delay giving any consent required for another party to exercise rights conferred under this Tariff that are made subject to that consent. Company, Competitive Retailer, or Retail Customer further shall not unreasonably withhold, condition, or delay their performance of any obligation or duty imposed under this Tariff.

3.17 WAIVERS

The failure of Company, Competitive Retailer, or Retail Customer to insist in any one or more instances upon strict performance of any of the provisions of this Tariff, or to take advantage of any of its rights under this Tariff, shall not be construed as a general waiver of any such provision or the relinquishment of any such right, but the same shall continue and remain in full force and effect, except with respect to the particular instance or instances.

3.18 HOURS OF OPERATION

Company's normal hours of operation are 8:00 AM – 5:00 PM CPT on Monday – Friday, excluding holidays. Company recognizes the following holidays on their day of federal observance: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Company

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may establish additional holiday observances by posting the additional holiday observance on Company's website no later than October 31 of the preceding calendar year. Company may expand its normal hours of operation at its discretion. Notwithstanding its designated hours of operation, Company shall ensure that personnel and other resources are available to process and complete service orders in compliance with Chapter 6 and other Applicable Legal Authorities. Company shall also ensure that personnel and other resources are available to respond to emergencies at all times.

3.19 PUBLIC SERVICE NOTICE

Company shall, as required by the Commission after reasonable notice, provide public service notices.

3.20 HEADINGS

The descriptive headings of the various sections of this Tariff have been inserted for convenience of reference only and shall in no way define, modify or restrict any of the terms and provisions hereof.

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CHAPTER 4: SERVICE RULES AND REGULATIONS RELATING TO ACCESS TO DELIVERY SYSTEM OF COMPANY BY COMPETITIVE RETAILERS

4.1 GENERAL SERVICE RULES AND REGULATIONS

4.1.1 APPLICABILITY OF CHAPTER

This Chapter governs the terms of access to and conditions of the provision of Delivery Service by Company to Competitive Retailers, whether the Competitive Retailer has entered into a Service Agreement or not. This Chapter also applies to Competitive Retailers utilizing the Delivery System of the Company unlawfully or pursuant to unauthorized use. The provisions of this Chapter shall uniformly apply to all Competitive Retailers receiving Delivery Service from Company.

4.1.2 REQUIRED NOTICE

Notice to Competitive Retailer and Company shall be provided pursuant to Section 3.8, FORM OF NOTICE.

4.2 LIMITS ON LIABILITY

4.2.1 LIABILITY BETWEEN COMPANY AND COMPETITIVE RETAILERS

This Tariff is not intended to limit the liability of Company or Competitive Retailer for damages, except as expressly provided in this Tariff.

Company will make reasonable provisions to supply steady and continuous Delivery Service, but does not guarantee the Delivery Service against fluctuations or interruptions. Company will not be liable for any damages, whether direct or consequential, including, without limitation, loss of profits, loss of revenue, or loss of production capacity, occasioned by fluctuations or interruptions, unless it be shown that Company has not made reasonable provision to supply steady and continuous Delivery Service, consistent with the Retail Customer's class of service, and in the event of a failure to make such reasonable provisions (whether as a result of negligence or otherwise), Company's liability shall be limited to the cost of necessary repairs of physical damage proximately caused by the service failure to those electrical Delivery facilities of Retail Customer which were then

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equipped with the protective safeguards recommended or required by the then current edition of the National Electrical Code.

Company will make reasonable provisions to provide Construction Service, but does not guarantee the timeliness of initiating or completing such Construction Service nor the suitability of such facilities for Retail Customer's specific uses. Company will not be liable for any damages, whether direct or consequential, including, without limitation, loss of profits, loss of revenue, or loss of production capacity, occasioned by the failure to provide timely or suitable Construction Service. The term "Construction Service" in this paragraph includes any and all services that (a) are provided, (b) fail to be provided, or (c) fail to be timely provided by Company, from the time Retail Customer first contacts Company with respect to the provision of any type of Construction or Delivery Service.

However, if damages result from failure to provide timely or suitable Construction Service or fluctuations or interruptions in Delivery Service that are caused by Company's or Competitive Retailer's gross negligence or intentional misconduct, this Tariff shall not preclude recovery of appropriate damages when legally due.

4.2.2 LIMITATION OF DUTY AND LIABILITY OF COMPETITIVE RETAILER

Competitive Retailer has no ownership, right of control, or duty to Company, Retail Customer, or third party, regarding the design, construction, or operation of Company's Delivery System. Competitive Retailer shall not be liable to any person or entity for any damages, direct, indirect, or consequential, including, but without limitation, loss of business, loss of profits or revenue, or loss of production capacity, occasioned by any fluctuations or interruptions of Delivery Service caused, in whole or in part, by the design, construction, or operation of Company's Delivery System.

4.2.3 DUTY TO AVOID OR MITIGATE DAMAGES

Company and Competitive Retailer shall use reasonable efforts to avoid or mitigate its damages or losses suffered as a result of the other's culpable behavior under Section 4.2.1, LIABILITY BETWEEN COMPANY AND COMPETITIVE RETAILERS.

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4.2.4 FORCE MAJEURE

Neither Company nor Competitive Retailer shall be liable for damages for any act or event that is beyond such party's control and which could not be reasonably anticipated and prevented through the use of reasonable measures, including, but not limited to, an act of God, act of the public enemy, act of terrorism, war, insurrection, riot, fire, explosion, labor disturbance or strike, wildlife, unavoidable accident, equipment or material shortage, breakdown or accident to machinery or equipment, or good-faith compliance with a then valid curtailment, order, regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, including any order or directive of the Independent Organization.

4.2.5 EMERGENCIES AND NECESSARY INTERRUPTIONS

Company may curtail, reduce voltage, or interrupt Delivery Service in the event of an emergency arising anywhere on the Company's Delivery System or the interconnected systems of which it is a part, when the emergency poses a threat to the integrity of its Delivery System or the systems to which it is directly or indirectly connected if, in its sole judgment, such action may prevent or alleviate the emergency condition. Company may interrupt service when necessary, in the Company's sole judgment, for inspection, test, repair, or changes in the Delivery System, or when such interruption will lessen or remove possible danger to life or property, or will aid in the restoration of Delivery Service.

Company shall provide advance notice to Competitive Retailer of such actions, if reasonably possible. Such notice may be provided by electronic notice to all certificated Competitive Retailers operating within the Company's service territory with specific identification of location, time, and expected duration of the outage. If reasonably possible, Company shall provide notice to Competitive Retailer no later than one hour after the initiation of the curtailment, interruption, or voltage reduction that occurs due to the emergency if the emergency occurs during the Company's normal hours of operation as defined in Section 3.18. If the emergency occurs outside Company's normal hours of operation, Company shall provide notice as soon as reasonably possible under the circumstances to Competitive Retailer after the initiation of the curtailment, interruption, or voltage reduction that occurs due to the emergency. Advanced notice shall also be provided, if reasonably possible, to those Retail Customers designated as Critical Care Residential Customers,

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Chronic Condition Residential Customers, Critical Load Industrial Customers, and Critical Load Public Safety Customers.

Nothing herein shall prevent the Company from being liable if found to be grossly negligent or to have committed intentional misconduct with respect to its exercise of its authority in this Tariff.

The operation of broadband over power line (BPL) shall not interfere with or diminish the reliability of Company's Delivery System. Should a disruption in the provision of Delivery Service occur due to BPL, Company shall prioritize restoration of Delivery Service prior to restoration of BPL-related systems.

4.2.6 LIMITATION OF WARRANTIES BY COMPANY

Company makes no warranties with regard to the provision of Construction Service or Delivery Service and disclaims any and all warranties, express or implied, including, but without limitation, warranties of merchantability or fitness for a particular purpose.

4.3 SERVICE

4.3.1 ELIGIBILITY

A Competitive Retailer is eligible for Delivery Service when:

- (1) The Competitive Retailer and Company have received written notice from the Independent Organization certifying the Competitive Retailer's successful completion of market testing, including receipt of the digital certificate pursuant to Applicable Legal Authorities. Market testing will be conducted in accordance with a test plan as specified by Applicable Legal Authorities. Company and Competitive Retailer shall use best efforts to timely complete market testing; and
- (2) Competitive Retailer and Company execute a Delivery Service Agreement; or
- (3) In the event that subsection (1) has been satisfied, and Competitive Retailer has executed and delivered the Delivery Service Agreement to Company but Company has failed to execute the agreement within two Business Days of its receipt, Competitive Retailer shall be deemed eligible for Delivery Service during an interim period of Commission investigation by filing the unexecuted Delivery Service Agreement with the Commission for investigation into the reasons for such non-execution by Company.

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4.3.2 INITIATION OF DELIVERY SYSTEM SERVICE (SERVICE CONNECTION)

For purposes of this section, "initiation of Delivery System Service" refers to the actions taken by Company to energize a Retail Customer's connection to the Delivery System.

4.3.2.1 INITIATION OF DELIVERY SYSTEM SERVICE WHERE CONSTRUCTION SERVICES ARE NOT REQUIRED

Where existing Company facilities will be used for Delivery System Service and no Construction Service is needed, Company shall initiate Delivery System Service for Retail Customer if requested by Competitive Retailer through the Registration Agent unless:

- (1) The Retail Customer's Electrical Installation is known to be hazardous or interferes with the service of other Retail Customers; or
- (2) The Competitive Retailer is not eligible for Delivery Service under Section 4.3.1, ELIGIBILITY or the Competitive Retailer or Retail Customer is in default under this Tariff. Retail Customer is considered to be in default if Retail Customer fails to satisfy any material obligation under this Tariff after being given notice of the failure and at least ten days to cure.

Company may decline to initiate Delivery Service if it cannot be provided consistent with Good Utility Practice. Company shall provide service and if a charge has been authorized by the Commission, Company may assess a charge for service connection pursuant to Section 6.1, RATE SCHEDULES.

4.3.2.2 INITIATION OF DELIVERY SYSTEM SERVICE WHERE CONSTRUCTION SERVICES ARE REQUIRED

Where Construction Services are required prior to the initiation of Delivery System Service, Competitive Retailer may request initiation of Delivery System Service on behalf of Retail Customer. All such requests shall be governed by the provisions in Section 5.7, FACILITIES EXTENSION POLICY. After completion of Construction Service, Company shall initiate Delivery System Service in accordance with Section 4.3.2.1, INITIATION OF DELIVERY SYSTEM SERVICE WHERE CONSTRUCTION SERVICES ARE NOT REQUIRED.

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4.3.3 REQUESTS FOR DISCRETIONARY SERVICES INCLUDING CONSTRUCTION SERVICES

A Competitive Retailer may request Discretionary Services from Company. Such requests for Discretionary Service must include the following information and any additional data elements required by Applicable Legal Authorities:

- (1) Retail Customer contact name;
- (2) Retail Customer contact phone number;
- (3) ESI ID, if in existence;
- (4) Service address (including City and zip code) and directions to location, and access instructions as needed;
- (5) Discretionary Services requested; and
- (6) Requested date for Company to perform or provide Discretionary Services.

For an electronic service request sent by Competitive Retailer, Company will acknowledge receipt of Competitive Retailer's electronic service request and will notify Competitive Retailer upon completion of the service request as required by Applicable Legal Authorities. Such notification shall include the date when the service was completed in the field. For requests involving Construction Services, Company will contact the designated person to make proper arrangements for Construction Service pursuant to Section 5.7, FACILITIES EXTENSION POLICY.

Competitive Retailer shall be responsible for informing its Retail Customers how to obtain Discretionary Services, including Construction Services, consistent with the requirements of Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.

4.3.4 CHANGING OF DESIGNATED COMPETITIVE RETAILER

Company shall change a Retail Customer's designated Competitive Retailer upon receipt of proper notification from the Registration Agent, in accordance with Applicable Legal Authorities, unless the new Competitive Retailer is in default under this Tariff. Competitive Retailer may request a Meter Reading for the purpose of a self-selected switch subject to charges and timeframes specified in Chapter 6. Charges for a Meter Reading for the purpose of self-selected switch shall be applied only if data is collected for an Actual Meter Reading. As provided by Chapter 6, separate charges may apply in the event a trip is made to collect the data, but collection of data is prevented

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due to lack of access to the Meter, or estimation is necessary to complete a mass transition of customers within a specified time, as required by Applicable Legal Authorities. Otherwise, no charge shall be applied if Billing Determinants are estimated. Company shall honor the requested switch date contained in the TX SET transaction in accordance with Applicable Legal Authorities to the extent that Company has received the request within the timeframes established in Applicable Legal Authorities. Company shall release proprietary customer information to the designated Competitive Retailer in a manner prescribed by the Applicable Legal Authorities.

4.3.5 SWITCHING FEE

Company shall not charge Competitive Retailer for a change of designation of a Retail Customer's Competitive Retailer.

4.3.6 IDENTIFICATION OF THE PREMISES AND SELECTION OF RATE SCHEDULES

The establishment, assignment, and maintenance of ESI IDs shall be as determined by Applicable Legal Authorities. In addition, Company shall:

1. Assign a unique ESI ID for each Point of Delivery, or in the case of non-Metered load, a unique ESI ID to each Premises, in accordance with Applicable Legal Authorities;
2. Establish separate and distinct ESI IDs for temporary and permanent service. The temporary ESI ID shall be retired after all market transactions associated with the temporary ESI ID have been completed. If the temporary Meter has been used for the same Premises for which the permanent Meter will be used, the same ESI ID may be used for temporary and permanent service;
3. Identify, assign, and maintain ESI IDs with the appropriate load profile, Meter Reading cycle, and other information necessary for accurate settlement of the wholesale market, unless such functions are undertaken by the Independent Organization;
4. Notify the Competitive Retailer and Independent Organization, using the appropriate TX SET transaction, of revisions in the assignment of a Rate Schedule; and
5. Maintain accurate United States Postal Service compliant services addresses, when available, to comply with Applicable Legal Authorities. When there are two or more ESI IDs for the same service address, the service address shall include information to distinguish between the Points of Delivery at the service address.

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The Rate Schedules included in this Tariff state the conditions under which Company's Delivery Services are available and the applicable rates for each Delivery Service. For service to a new Retail Customer at an existing Premises, the Company shall reset all Demand Ratchets and Retail Customer's Billing Demand and charges for Delivery Service shall not be determined based upon Premises history not associated with the new Retail Customer or on Retail Customer's previous history at a prior location unless Company's current base rates were set based upon the assumption that the Demand Ratchet would not be reset, in which case, Company shall begin resetting Demand Ratchets for new Retail Customers no later than the conclusion of its next general rate case. If requested by the Competitive Retailer, Company will assist in selecting the Rate Schedule that is best suited to existing or anticipated Retail Customer's Delivery Service requirements. However, Company does not assume responsibility for the selection of the Rate Schedule or for any failure to select the most appropriate Rate Schedule for the Retail Customers' Delivery Service requirements. Upon the request of the Retail Customer's Competitive Retailer, the Company shall switch a Retail Customer's Rate Schedule to any applicable Rate Schedule for which the Retail Customer is eligible.

Subsequent to the selection of a Rate Schedule, the Competitive Retailer shall notify Company of any change of which it is aware in the Retail Customer's Electrical Installation or use of Premises that may affect the applicability of a Rate Schedule.

Upon notice to the Competitive Retailer, Company may change a Retail Customer's Rate Schedule if Company is made aware that the Retail Customer is no longer eligible to receive service under its current Rate Schedule.

A change in Rate Schedule that does not require a change in Billing Determinants, shall be applicable for the entire billing cycle in which the change in Rate Schedule is made if the request is made at least two Business Days before the Scheduled Meter Reading Date for that Retail Customer. If a change in the Company's facilities, the Meter used to serve a Retail Customer, or a Rate Schedule requires a different methodology or different Billing Determinants, then such change shall be effective in the next full billing cycle.

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4.3.7 PROVISION OF DATA BY COMPETITIVE RETAILER TO COMPANY

Competitive Retailer shall timely supply to Company all data, materials, or other information specified in this Tariff, including current customer names, telephone number, and mailing address, in connection with Company's provision of Delivery Services to Competitive Retailer's Retail Customers, if required. Such information shall be used only for Company operations or in transitions of customers to another REP or POLR in accordance with Applicable Legal Authorities and will be subject to the provisions of the code of conduct rule, P.U.C. SUBST. R. 25.272(g), Code of Conduct for Electric Utilities and Their Affiliates.

Regardless of any information provided on an outage or service request, and regardless of the option chosen, a Competitive Retailer shall provide to Company, on the TX SET transaction intended for maintenance of current Retail Customer contact information, the information needed to verify Retail Customer's identity (name, address and telephone number) for a particular Point of Delivery served by Competitive Retailer and shall periodically provide Company updates of such information, in the manner prescribed by Applicable Legal Authorities.

4.3.8 SUSPENSION OF DELIVERY SERVICE

Company shall notify, as soon as reasonably possible, the affected Retail Customer's Competitive Retailer of a suspension of Delivery Service pursuant to Section 5.3.7.1.

4.3.9 CRITICAL CARE, CHRONIC CONDITION, CRITICAL LOAD CUSTOMER DESIGNATION

4.3.9.1 CRITICAL CARE RESIDENTIAL CUSTOMER OR CHRONIC CONDITION RESIDENTIAL CUSTOMER STATUS

Upon receipt of the Application for Chronic Condition or Critical Care Residential Status, Company shall:

- (1) Follow the procedures specified in P.U.C. SUBST. R. 25.497 for processing the application and designating a Retail Customer as a Critical Care Residential Customer or Chronic Condition Residential Customer and for notifying the Competitive Retailer and Retail Customer of any designation and any change in Retail Customer's designation;

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- (2) Follow the requirements under P.U.C. SUBST. R. 25.497 for sending renewal notices to a Retail Customer designated as a Critical Care Residential Customer or Chronic Condition Residential Customer; and
- (3) Ensure ESI IDs are properly identified for Critical Care Residential Customer or Chronic Condition Residential Customer status in Company systems and on applicable retail market transactions.

4.3.9.2 CRITICAL LOAD INDUSTRIAL CUSTOMER OR CRITICAL LOAD PUBLIC SAFETY CUSTOMER

Upon receipt of a request for designation as a Critical Load Industrial Customer or Critical Load Public Safety Customer, Company shall:

- A. Follow the Company-established process for evaluating the request for designation as a Critical Load Industrial Customer or Critical Load Public Safety Customer in collaboration with the Retail Customer's Competitive Retailer and Retail Customer and determine Retail Customer's eligibility for Critical Load Industrial Customer or Critical Load Public Safety Customer designation within one month of Company's receipt of the application;
- B. Upon request, provide to Competitive Retailer or Retail Customer a paper or electronic copy of the Company-established process for appeal;
- C. Follow the Company-established process for appeal and notify the Competitive Retailer and Retail Customer of any change in eligibility based on the appeal; and
- D. Ensure ESI IDs are properly identified for Critical Load Industrial Customer or Critical Load Public Safety Customer status in Company systems and on applicable retail market transactions.

4.3.9.3 OTHER COMPANY RESPONSIBILITIES

Company shall fulfill any other responsibilities pursuant to P.U.C. SUBST. R. 25.497.

4.3.10 NOTICED SUSPENSION NOT RELATED TO EMERGENCIES OR NECESSARY INTERRUPTIONS

Upon notice to Competitive Retailer, Company may suspend Delivery Service to Retail Customer:

- (1) In the event of unauthorized use, unauthorized connection or reconnection, or diversion of service or Tampering with the Meter or Metering Equipment or bypassing same;

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- (2) In the event of Retail Customer's violation of the provisions of Company's Tariff pertaining to the use of Delivery Service in a manner which interferes with the Delivery Service of others or the operation of nonstandard equipment, or as otherwise specified by written agreement, and a reasonable opportunity has been provided to remedy the situation;
- (3) Upon Retail Customer's failure to comply with the terms of any written agreement made between Company and Retail Customer, upon default of Retail Customer under such an agreement, or upon failure to pay any charges billed by Company directly to Retail Customer pursuant to Section 5.8.2, BILLING TO RETAIL CUSTOMER BY COMPANY after a reasonable opportunity has been provided to remedy the failure;
- (4) For Retail Customer's failure to provide Company with reasonable access to Company's facilities or the Meter located on Retail Customer's Premises after a reasonable opportunity has been provided to remedy the situation; or
- (5) Upon Company's receipt of a notice requiring such action, in the form and from the party specified by Applicable Legal Authorities. Company will not be responsible for monitoring or reviewing the appropriateness of any such notice except as provided in Section 5.3.7.4, PROHIBITED SUSPENSION OR DISCONNECTION.

Company shall provide electronic notice pursuant to Section 3.8, FORM OF NOTICE, of any noticed suspension of service to Competitive Retailers, operating in its service territory specifically identifying the time, location (if possible), cause and expected duration of such suspension. Company shall perform all suspensions or disconnects in accordance with Section 5.3.7.4, PROHIBITED SUSPENSION OR DISCONNECTION.

4.3.11 RESTORATION OF DELIVERY SERVICE

Company will conduct restoration efforts as soon as possible following the alleviation or correction of the conditions that cause a suspension or disconnection and provide notice of restoration of service as soon as practicably possible.

4.3.12 DISCONNECTION OF SERVICE TO RETAIL CUSTOMER'S FACILITIES AT THE REQUEST OF COMPETITIVE RETAILER

Except as provided in Section 5.3.7.4, PROHIBITED SUSPENSION OR DISCONNECTION, Company will not be responsible for monitoring or reviewing the appropriateness of any notice from

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a Competitive Retailer requesting connection, disconnection, or suspension of Delivery Service to Retail Customer.

4.3.12.1 MOVE OUT REQUEST

In the event that Retail Customer is vacating the Premises and Competitive Retailer no longer desires to be associated with the Point of Delivery, Competitive Retailer shall notify the Registration Agent of the date Competitive Retailer desires Company to discontinue Delivery Service to a particular Point of Delivery through a move-out transaction and Company shall discontinue Delivery Service to the Point of Delivery in accordance with Section 6.1, RATE SCHEDULES. Competitive Retailer shall not be responsible for any Delivery Services provided to that Point of Delivery after the move-out is effectuated unless specifically requested by the Competitive Retailer, and applicable to the time the Competitive Retailer was the Competitive Retailer of Record.

4.3.12.2 DISCONNECTION DUE TO NON-PAYMENT OF COMPETITIVE RETAILER CHARGES; RECONNECTION AFTER DISCONNECTION

Competitive Retailer may request disconnection for non-payment by Retail Customer or reconnection thereafter as authorized by the Commission's customer protection rules and in accordance with Chapter 6 of this Tariff. The execution of a disconnection for non-payment does not relieve the Competitive Retailer of responsibility for any Delivery Services provided to that Point of Delivery. Company shall provide service and if a charge has been authorized by the Commission, Company may assess a charge pursuant to Section 6.1, RATE SCHEDULES.

4.3.12.3 COORDINATED DISCONNECTION

Competitive Retailer and Company may coordinate the disconnection of a master-metered Premises; a Chronic Condition Residential Customer, Critical Load Industrial Customer, Critical Load Public Safety Customer, or Critical Care Residential Customer Premises; or any other Premises that presents a life-threatening or otherwise hazardous condition. When appropriate, the coordinated disconnection of service may occur between 5:00 PM and 7:00 AM CPT.

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4.3.13 CUSTOMER REQUESTED CLEARANCE

At the request of Competitive Retailer for Retail Customer related construction, alteration, or other temporary clearance, Company shall disconnect Retail Customer's facilities in accordance with Chapter 6.

4.3.14 EXTREME WEATHER

When Company discontinues performing disconnections for non-payment due to an extreme weather emergency determined pursuant to P.U.C. SUBST. R. 25.483, Company shall notify the PUCT as described in P.U.C. SUBST. R. 25.483. Additionally, Company shall provide notice to Competitive Retailers at the same time, pursuant to Section 3.8, FORM AND TIMING OF NOTICE.

4.4 BILLING AND REMITTANCE

4.4.1 CALCULATION AND TRANSMITTAL OF DELIVERY SERVICE INVOICES

Not later than three Business Days after the scheduled date of a Meter Reading for a Point of Delivery, Company shall transmit an electronic invoice for the Company's total Delivery System Charges associated with that Point of Delivery, to the Competitive Retailer supplying Electric Power and Energy to that Point of Delivery. Company shall separately identify the Delivery System Charges and Billing Determinants on the electronic invoice, to the extent that the transaction allows them to be reported, for each Point of Delivery served by a Competitive Retailer. Company shall provide information on any Billing Determinants not provided on the electronic transaction free of charge to Competitive Retailer upon request, within two Business Days from the receipt of the request. The start and end dates for the billing period contained on the invoice shall match the start and end dates of the Meter Reading for the Premises.

Charges for Discretionary Services, other than Construction Services, provided to a particular Point of Delivery shall be separately identified on the invoice. Electronic invoices shall be transmitted using the appropriate TX SET transaction and shall be consistent with the terms and conditions of this Tariff. The Competitive Retailer shall acknowledge the receipt of the invoice and indicate whether the transaction conformed with ANSI X12 using the appropriate TX SET transaction within 24 hours of the receipt of the invoice. If Company receives a negative acknowledgement indicating the transaction failed ANSI X12 validation, Company shall correct any Company errors and re-

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issue the transaction within two Business Days of receipt of the negative acknowledgement. Following a positive acknowledgement indicating the transaction passed ANSI X12 validation, the Competitive Retailer shall have five Business Days to send a rejection response in accordance with the TX SET Implementation Guides and Commission Rules. However, if the Competitive Retailer receives an invoice relating to an ESI ID for which the Competitive Retailer has sent an enrollment or move-in request but has not received a response transaction from ERCOT, then the Competitive Retailer shall allow four Business Days to receive the response. If the Competitive Retailer has still not received the response transaction, the Competitive Retailer shall not reject the invoice, but will utilize an approved market process to resolve the issue. Additionally, a Competitive Retailer shall not reject an invoice, claiming it is not a Valid Invoice, outside the timelines specified in this subsection, or without supplying appropriate rejection reasons in accordance with TX SET Implementation Guides and Commission Rules. A Competitive Retailer may dispute a Valid Invoice under Section 4.4.8, INVOICE DISPUTES, but not reject it.

4.4.2 CALCULATION AND TRANSMITTAL OF CONSTRUCTION SERVICE CHARGES

Construction Service Charges shall be invoiced to the entity requesting such service. If Competitive Retailer has requested such a service, Company shall include the Construction Service Charge associated with that service as a separately identified item on the invoice provided pursuant to Section 4.4.1, CALCULATION AND TRANSMITTAL OF DELIVERY SERVICE INVOICES.

4.4.3 INVOICE CORRECTIONS

Invoices shall be subject to adjustment for estimation or errors, including, but not limited to, arithmetic errors, computational errors, Meter inaccuracies, and Meter Reading errors. Company shall cancel and re-bill the original invoice that was incorrect and apply any payments made as provided by Applicable Legal Authorities. If it is determined that Company over-billed for Delivery Charges, Company will make adjustment(s) associated with the Point of Delivery for the entire period of over-billing. Interest shall be paid on any overcharge not corrected within three billing cycles of the occurrence of the error (or estimation) at a rate set by the Commission, compounded monthly, from the date of payment of the overcharged amount through the date of the refund. If it is determined that Company under-billed for Delivery Charges, Company will promptly issue a corrected invoice. Company may not charge interest on underbilled amounts unless such amounts are found to be the result of theft of service. Company may not issue an invoice for underbillings

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for adjustments more than 150 days after the date the original invoice was issued or should have been issued.

All invoices with estimations shall be true-up within 150 days of the estimation. If Company does not true-up an underbilling within 150 days, Company may not bill for the difference it has underbilled. If Company has over-billed due to an estimation, Company shall refund the difference for the entire period.

Company shall render a corrected invoice within seven days of the date of resolution of the error unless otherwise prohibited by this section. Company shall provide notice to an affected Competitive Retailer pursuant to Section 3.8, FORM AND TIMING OF NOTICE, at least one Business Day before the rendition of corrected invoices affecting a total number of 100 or more ESI IDs served by Competitive Retailer when the rebilling corrects the same issue.

Disputes about invoice corrections shall be governed by Section 4.9, DISPUTE RESOLUTION PROCEDURES.

4.4.4 BILLING CYCLE

Unless otherwise stated in the applicable Rate Schedule or as provided in Section 4.8.1.3, OUT-OF-CYCLE METER READS, invoiced charges shall be based on a cycle of approximately one month.

The Competitive Retailer shall have the right to request a one-time adjustment to a Retail Customer's Meter Reading/billing cycle. The Competitive Retailer must select another Company-defined Meter Reading Schedule, if available for that account, unless the Retail Customer has remote Meter Reading capability, in which case the Competitive Retailer has the right to arrange for any Meter Read/billing cycle subject to processing capabilities for Company's Meter Data and ERCOT's settlement data. Company shall notify Competitive Retailer of any permanent changes in billing cycle or Meter Reading Schedules. Notification shall be provided in accordance with appropriate TX SET protocol. Company's Meter Reading Schedules will be made available on Company's website for the next year by December 15. Company shall provide 60 days' notice for any changes in the Meter Reading Schedule.

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4.4.5 REMITTANCE OF INVOICED CHARGES

Payments for all Delivery Charges invoiced to Competitive Retailer shall be due 35 calendar days after the date of Company's transmittal of a Valid Invoice. The 35 calendar day payment provision shall not apply to invoices that have been rejected using Applicable Legal Authorities. Disputed invoiced amounts shall be governed by Section 4.4.8, INVOICE DISPUTES. Payments are due without regard to whether or when the Competitive Retailer receives payment from its Retail Customer(s). The Company shall specify the due date on the invoice, and the due date shall be the 35th calendar day after the transmittal date of the Valid Invoice, unless the 35th day falls on a weekend or Banking Holiday, in which case the due date shall be the following Business Day that is not a Banking Holiday. Electronic invoices transmitted after 5:00 p.m. CPT shall be considered transmitted on the next calendar day.

Notwithstanding the above, Company and Competitive Retailer may mutually agree to different billing and payment timelines for Discretionary Services, provided that such terms are afforded on a non-discriminatory basis to all Competitive Retailers.

Competitive Retailer shall pay the invoice by electronic funds transfer (EFT) or by wire transfer (WT) to a bank designated by Company. Payment will be considered received on the date Company's bank receives the EFT or WT and the appropriate remittance advice is received by Company in accordance with the requirements specified by Applicable Legal Authorities.

4.4.6 DELINQUENT PAYMENTS

Payments for Delivery Charges invoiced to Competitive Retailer shall be considered delinquent if not received by 5:00 p.m. CPT of the due date stated on the Valid Invoice. Delinquent payments will be subject to a one-time late fee of 5% of the delinquent balance existing on the day after the due date stated on the Valid Invoice. Competitive Retailer shall be considered in default only after a ten calendar day grace period has passed without the Competitive Retailer fully paying the delinquent balance. Upon delinquency of Competitive Retailer, Company shall provide notice in writing to Competitive Retailer stating that Competitive Retailer is delinquent and shall be in default if payment is not received within ten calendar days. If the amount of the penalty is the sole remaining past-due amount after the ten calendar day grace period, the Competitive Retailer shall not be considered to be in default unless the penalty is not paid within an additional 30 calendar days.

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4.4.7 PARTIAL PAYMENTS

Unless otherwise governed by Schedule TC of this Tariff or P.U.C. SUBST. R. 25.108, Financial Standards for Retail Electric Providers Regarding the Billing and Collection of Transition Charges, partial payments will be applied pro-rata to all separately stated charges.

4.4.8 INVOICE DISPUTES

Unless otherwise governed by Schedule TC of this Tariff or P.U.C. SUBST. R. 25.108, Financial Standards for Retail Electric Providers Regarding the Billing and Collection of Transition Charges, Competitive Retailer shall pay all undisputed portions of an invoice within the remittance timeframes of Section 4.4.5, REMITTANCE OF INVOICED CHARGES, unless otherwise agreed to by Company and Competitive Retailer. If a Competitive Retailer disputes all or a portion of an invoice, the Competitive Retailer may refuse to pay the disputed amount. If it does so, it shall provide written notice of the dispute to the Company's designated contact under Section 3.9, DESIGNATION OF COMPANY CONTACT PERSONS FOR MATTERS RELATING TO DELIVERY SERVICE and shall include in the notice, at a minimum, an explanation of the disputed portion of the invoice, the basis of the dispute, and a proposed resolution.

Company may dispute the reason for which a Competitive Retailer rejects an invoice as prescribed in Section 4.4.1, CALCULATION AND TRANSMITTAL OF DELIVERY SERVICE INVOICES. Company shall provide written notice of the dispute to the Competitive Retailer's designated contact and shall include in the notice, at a minimum, an explanation of the disputed rejection, the basis of the dispute and a proposed resolution.

Upon notice of a dispute, the responding party shall investigate and respond in writing to the disputing party within ten Business Days of transmittal of the notice. Such response shall include a proposed resolution. Within 20 Business Days of the response, either party may initiate the dispute resolution procedures set forth in Section 4.9, DISPUTE RESOLUTION PROCEDURES. If Company does not receive notification of a dispute within 11 months from the due date of the invoice in question, said invoice shall be deemed conclusive and binding.

Upon resolution of the dispute, the appropriate adjustments will be reflected on the first subsequent invoice after resolution. If the Competitive Retailer has remitted amounts found to be improperly

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invoiced, Company shall pay interest on such amounts from the date payment was received by Company until the date of refund of such amounts at the interest rate set in accordance with Tex. Utilities Code Ann. Chapter 183. If the Competitive Retailer has been found to have withheld amounts properly invoiced, Competitive Retailer shall pay interest on the disputed amount from the due date on the invoice at the interest rate set in accordance with TEX. UTIL. CODE ANN. Chapter 183.

If the dispute is resolved in favor of the Company, Company shall not hold Competitive Retailer in default for non-payment of the original invoice based on the original due date. The invoice shall be due within one Business Day of resolution of the dispute.

A Competitive Retailer shall not dispute a methodology used to estimate a Meter Reading if the estimation methodology has been approved by the Commission.

4.4.9 SUCCESSOR COMPETITIVE RETAILER

A Competitive Retailer shall not be obligated to pay the delinquent balance of another Competitive Retailer as a condition of providing service to Retail Customers. The prior Competitive Retailer, however, shall in no case be relieved of any previously invoiced charges or late fees incurred in the use of Company's Delivery System.

4.5 SECURITY DEPOSITS AND CREDITWORTHINESS

4.5.1 SECURITY RELATED TO TRANSITION CHARGES

If Company is subject to a financing order, Competitive Retailer shall provide security for Transition Charges in accordance with Schedule TC of this Tariff in addition to other requirements in P.U.C. SUBST. R. 25.108, Financial Standards for Retail Electric Providers Regarding the Billing and Collection of Transition Charges. For purposes of establishing any required deposit for Transition Charges, a Competitive Retailer shall provide any required deposit within ten calendar days of receipt of the first Valid Invoice from the Company. Company shall ensure that its deposit calculations are reproducible and able to be calculated by Competitive Retailer.

4.5.2 SECURITY RELATED TO OTHER DELIVERY CHARGES

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4.5.2.1 DEPOSIT REQUIREMENTS

Except as provided for in Schedule TC of this Tariff and P.U.C. SUBST. R. 25.108, Financial Standards for Retail Electric Providers Regarding the Billing and Collection of Transition Charges, or as provided in P.U.C. SUBST. R. 25.107, Certification of Retail Electric Providers, Company shall not require deposits for a Competitive Retailer that has not defaulted under Section 4.6, DEFAULT AND REMEDIES ON DEFAULT, within the past 24 months. If a Competitive Retailer has defaulted under Section 4.6 within the past 24 months, Company shall require the Competitive Retailer to provide a deposit as security for payments of amounts billed under this Tariff. Competitive Retailers who do not provide and maintain the security required by this section shall be considered in default, as provided in Section 4.6.

4.5.2.2 SIZE OF DEPOSIT

Deposits shall be equal to one-sixth of the estimated annual amount to be billed under this Tariff by Company to Competitive Retailer. The computation of the size of a required deposit shall be mutually agreed upon by the Competitive Retailer and Company. The amount of deposit shall be adjusted, if necessary, during the first month of each calendar quarter to ensure that the deposit accurately reflects the required amount.

4.5.2.3 FORM OF DEPOSIT

Deposits under this section shall be in the form of cash, surety bond, letter of credit, affiliate guaranty, or any combination thereof at the Competitive Retailer's option. Competitive Retailer and Company may mutually agree to other forms of security, provided that Company offers such terms on a non-discriminatory basis to all Competitive Retailers. The Company shall be the beneficiary of any affiliate guaranty, surety bond or letter of credit. Providers of affiliate guaranty, surety bonds or letters of credit must have and maintain long-term unsecured credit ratings of not less than "BBB-" or "Baa3" (or equivalent) from Standard and Poor's or Moody's Investor Service, respectively. Other forms of security may be mutually agreed to by Company and Competitive Retailer. If the credit rating of the provider of the surety bond, affiliate guarantee, or letter of credit is downgraded below BBB- or Baa3 (or equivalent), Competitive Retailer must provide a deposit in accordance with this Tariff within ten Business Days of the downgrade.

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4.5.2.4 INTEREST

Cash deposits shall accrue interest payable to Competitive Retailer. Company shall pay all interest to Competitive Retailer upon refund of the deposit, or during the quarterly review under Section 4.5.2.2, SIZE OF DEPOSIT, if such interest causes the size of the deposit to exceed the required amount. Interest shall be paid at the Commission-approved interest rate for customer deposits.

4.5.2.5 HISTORICAL DEPOSIT INFORMATION

Company shall maintain records showing the name and address of a depositor, the amount of the deposit, and each transaction concerning the deposit. Records of each unclaimed deposit shall be maintained for at least four years, during which time Company will make reasonable efforts to return the deposit and any accrued interest.

4.5.2.6 REFUND OF DEPOSIT

Deposits, plus any accrued interest, shall be returned to Competitive Retailer after deduction of all charges and other debts that the Competitive Retailer owes Company, including any applicable late fees, when:

- (1) Competitive Retailer ceases operations within Company's service territory;
- (2) Other arrangements are made for satisfaction of deposit requirements; or
- (3) 24 months have elapsed without Competitive Retailer defaulting on any payment obligations, unless Section 4.5.2.1 permits Company to require a deposit.

All unclaimed deposits will be held by Company for four years from the date the Competitive Retailer ceases operations in the Company's service territory.

4.6 DEFAULT AND REMEDIES ON DEFAULT

4.6.1 COMPETITIVE RETAILER DEFAULT

A Competitive Retailer shall be considered to be in default under this Tariff if the Competitive Retailer:

- (1) Fails to remit payment to the Company as set forth in Section 4.4.6, DELINQUENT PAYMENTS;

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- (2) Fails to satisfy any material obligation under this Tariff, including failure to fulfill the security requirements set forth in Section 4.5, SECURITY DEPOSITS AND CREDITWORTHINESS; or
- (3) Is no longer certified as a Retail Electric Provider.

4.6.2 REMEDIES ON DEFAULT

4.6.2.1 DEFAULT RELATED TO FAILURE TO REMIT PAYMENT OR MAINTAIN REQUIRED SECURITY

Upon Competitive Retailer's default related to failure to remit payment or maintain required security, Company may pursue any or all of the following remedies:

- (1) Apply to delinquent balances Competitive Retailer's cash deposit, if any, and any accrued interest, or seek recourse against any letter of credit or surety bond for the amount of delinquent charges due to Company, including any penalties or interest;
- (2) Avail itself of any legal remedies that may be appropriate to recover unpaid amounts and associated penalties or interest;
- (3) Implement other mutually suitable and agreeable arrangements with Competitive Retailer, provided that such arrangements are available to all Competitive Retailers on a non-discriminatory basis;
- (4) Notify the Commission that Competitive Retailer is in default and request suspension or revocation of Competitive Retailer's certificate; and
- (5) Require Competitive Retailer to do one of the following:
 - (A) Immediately arrange for all future remittances from Retail Customers of the Competitive Retailer in default to be paid into a dedicated account controlled by Company. Amounts collected in a dedicated account shall first be applied to amounts due Company, including any late fees and penalties with remaining amounts released to Competitive Retailer. Competitive Retailer shall bear all costs of such mechanism; or
 - (B) Require Competitive Retailer to transition customers to another Competitive Retailer or POLR.

A Competitive Retailer that has defaulted shall choose and notify Company as to which option under (5) above it shall implement, but, if the Competitive Retailer fails to

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immediately implement one of those options, Company shall immediately implement option (B). If Company or Competitive Retailer chooses option (B), Competitive Retailer shall provide all needed customer information to the POLR within three Business Days so that the POLR can bill Retail Customers. Competitive Retailer shall notify its Retail Customers of its choice of option (A) or (B) as soon as possible.

4.6.2.2 DEFAULT RELATED TO FAILURE TO SATISFY OBLIGATIONS UNDER TARIFF

Upon failure of Competitive Retailer to satisfy material obligations under this Tariff, Company shall provide notice of default to Competitive Retailer that explains the reason(s) for default. Competitive Retailer shall have ten Business Days from the date of receipt of notification to cure such default. Upon the Competitive Retailer's failure to remedy the default by the expiration of the notice period, Company may pursue any or all of the following:

- (1) Implement mutually suitable and agreeable arrangements with Competitive Retailer, provided that such arrangements are available to all Competitive Retailers on a non-discriminatory basis;
- (2) Notify the Commission that Competitive Retailer is in default and request that certification be suspended or revoked;
- (3) Notify the Commission that the Municipally Owned Utility or Electric Cooperative is in default, and request that its Retail Customers in Company's service territory be immediately served by another qualified Competitive Retailer or the POLR.

4.6.2.3 DEFAULT RELATED TO DE-CERTIFICATION

Upon loss of Commission certification as a Retail Electric Provider, Competitive Retailer shall abide by P.U.C. SUBST. R. 25.107, Certification of Retail Electric Providers, with respect to notice and transfer of Retail Customers to another qualified Competitive Retailer or the POLR. In the event Competitive Retailer fails to abide by this rule, the Commission may instruct the Registration Agent to immediately transfer the customers to the POLR.

4.6.3 CURE OF DEFAULT

Upon payment of all past due amounts and associated penalties and late fees, establishment of any security required pursuant to Section 4.5 SECURITY DEPOSITS AND CREDITWORTHINESS, and cure of any failure to fulfill its material obligations under this Tariff,

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Competitive Retailer will no longer be considered in default and will not be required to comply with Section 4.6, DEFAULT AND REMEDIES ON DEFAULT.

4.7 MEASUREMENT AND METERING OF SERVICE

4.7.1 MEASUREMENT

All charges for electricity consumed or demanded by a Retail Customer shall be based on Meter measurement except where otherwise provided for by the applicable Rate Schedule or this Tariff. Meters for residential Retail Customers shall be Company owned unless otherwise determined by the Commission. Retail Customers required by the Independent Organization to have an IDR Meter may choose a Meter Owner, other than Company, in accordance with Applicable Legal Authorities; otherwise, the Meter shall be owned by the Company.

When mutually agreed to by Company and Competitive Retailer, if Retail Customer takes Delivery Service at primary distribution or transmission voltage, Company may meter Delivery Service on the low side of Retail Customer's transformers and adjust measurements to account for losses as set forth in Chapter 6.

4.7.2 METER READING

Company is responsible for reading the Meter on a monthly basis in accordance with the published Meter Reading Schedule. Company shall make a reasonable effort to complete an Actual Meter Reading. Company must obtain an Actual Meter Reading within two Business Days of the date published in the Meter Reading Schedule, except as otherwise provided herein, and shall submit the Data from the Meter Reading to the Registration Agent within three Business Days of the Scheduled Meter Reading Date. If an Actual Meter Reading cannot be completed, an Estimated Meter Reading shall be performed for invoicing purposes in accordance with this Chapter, the Rate Schedules in Section 6.1, RATE SCHEDULES, and Applicable Legal Authorities. Unless otherwise provided in this section or in the Rate Schedule, a Meter Reading shall not be estimated more than three times consecutively. Company shall establish validation procedures that prohibit zero usage and extreme value Meter Readings unless good reason exists for the readings. Company shall ensure that invoices and Meter Reading transactions with zero usage or usage with extreme and unlikely values are not issued to Competitive Retailer or Retail Customer unless Company has good reason to believe that the value is correct.

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In any month where the Meter Reading fails the validation process, Company shall perform a second Meter Reading at no cost to the Competitive Retailer or Retail Customer.

4.7.2.1 DENIAL OF ACCESS BY RETAIL CUSTOMER

If in any month Retail Customer prohibits Company access to read the Meter (due to Premises being locked, presence of a threatening animal, physical threats to Company, or other similar reason), Company shall provide the Retail Customer a door hanger requesting access the following month and informing the Retail Customer of the consequences for continuing to fail to provide access. If there is no door on which to leave a door hanger, Company may leave the door hanger at a point of ingress. If no point of ingress is available, Company may choose not to leave the door hanger and must notify Competitive Retailer of the inability to leave the door hanger. Company shall inform Competitive Retailer that Company was unable to gain access and the reason that Company was unable to gain access, providing enough detail that Competitive Retailer can explain to the Retail Customer and inform Competitive Retailer of the number of consecutive months Company has been denied access by the Retail Customer. If the Competitive Retailer is notified that a Retail Customer denied Company access to read the Meter, Competitive Retailer shall contact the Retail Customer to request access for Company the following month and inform the Retail Customer of the consequences for continuing to fail to provide access. Competitive Retailer contact may be either by mail, telephone or door to door contact.

After three consecutive months of denial of access by the Retail Customer to Company to read the Meter, the Retail Customer has the following options:

- a) Disconnection of service;
- b) Installation of a remotely read Meter at the Retail Customer's expense and billed directly by Company to Competitive Retailer; or
- c) Relocation of the Meter to make Meter accessible at the Retail Customer's expense.

If Retail Customer does not choose an option, the Competitive Retailer shall choose the option on behalf of the Retail Customer. If the Competitive Retailer does not choose an

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option, the Company shall choose the option on behalf of the Competitive Retailer and Retail Customer.

Company may continue to perform Estimated Meter Reading for an additional 60 days in order to implement one of the options.

For a Critical Load Public Safety Customer or a Critical Load Industrial Customer, if the additional 60-days have expired and Company has failed to implement an option that provides access to a Critical Load Public Safety Customer or Critical Load Industrial Customer because the Retail Customer failed to grant access to implement the solution, Company may charge a fee each month of continued denial of access until an option authorized by this section can be implemented, in accordance with Chapter 6. Company must provide documentation of its attempts to implement the option to the Competitive Retailer, Retail Customer or the Commission upon request.

4.7.2.2 ESTIMATES FOR REASONS OTHER THAN FOR DENIAL OF ACCESS BY RETAIL CUSTOMER

The Company shall not perform Estimated Meter Reading for more than three consecutive Scheduled Meter Reading Dates for Retail Customer's Premises when Retail Customer has not denied access.

Company's failure to complete an Actual Meter Reading for reasons other than the Retail Customer's failure to provide access shall not be considered a break in a series of consecutive months of denial of access under Section 4.7.2.1, DENIAL OF ACCESS BY RETAIL CUSTOMER, but shall not be considered a month in which the Retail Customer has denied access.

Estimated Meter Reading performed by Company for the purpose of a mass transition of Retail Customers when Actual Meter Reading is infeasible or Applicable Legal Authorities dictate an Estimated Meter Reading shall not be considered a break in a series of consecutive months of Estimated Meter Reading, and shall not be considered a month in a series of consecutive Estimated Meter Reading performed by Company.

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4.7.2.3 STANDARD METER DATA

Company shall provide Meter Data, other than Interval Data, consistent with its Meter Reading Schedule. In addition, Company shall provide to Competitive Retailer access to, and provide to Registration Agent, complete Interval Data for the prior calendar day for each Standard Meter in accordance with Applicable Legal Authorities. The inclusion of missing Interval Data does not meet the requirement of complete Interval Data

Company shall use reasonable efforts to ensure that the sum of all Interval Data reported by Company for a Standard Meter equals the monthly usage for the same billing period within the acceptable range established by the NAESB Uniform Business Practices (UBP), or any range established in a superseding Applicable Legal Authority. Despite Company's reasonable efforts, however, there will be instances when the Interval Data and the monthly usage for the same billing period are not equal within the acceptable range. Upon request, Company shall provide to Competitive Retailer a detailed explanation when the sum of the Interval Data does not equal the monthly usage within the acceptable range.

4.7.3 REPORTING MEASUREMENT DATA

Company shall report measurement data for a Point of Delivery as required by this Chapter and Applicable Legal Authorities.

4.7.4 METER TESTING

Company will test the Meters in accordance with the schedule and standards of the American National Standards Institute, Incorporated ("ANSI"), as adopted by the Commission, and P.U.C. SUBST. R. 25.124, Meter Testing. Upon a request by any authorized person in accordance with Applicable Legal Authorities, Company will perform additional tests of the accuracy of the Meter no later than ten Business Days after the request is received, provided the Meter is a self-contained single phase, kWh Meter and subject to obtaining Access as provided in Section 5.4.8, ACCESS TO RETAIL CUSTOMER'S PREMISES and completing any necessary coordination with the Retail Customer or a third party. In the event the Meter is other than a self-contained, single phase kWh Meter, Company will perform the additional tests no later than 30 calendar days after the request is received. The additional tests will be performed preferably on the Retail Customer's Premises, but may, at Company's discretion, be performed at a Meter test laboratory. The additional tests will be free of charge if the Meter is determined to be outside the accuracy standards established

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by ANSI or if a test has not been requested and performed in the previous four years, Company will provide a copy of the complete results of that test to the requesting party as soon as possible but within the timeframes allowed for testing of the Meter. Competitive Retailer or Retail Customer may request a new test if one has been performed within the previous four years, but if the Meter tests within ANSI accuracy standards, Company will charge Competitive Retailer for the additional tests in accordance with the Rate Schedules in Section 6.1, RATE SCHEDULES. Following the completion of any additional test, Company will promptly advise the party requesting the test of the date of removal of the Meter, the date of the test, the result of the test, who conducted the test, and where the test was performed. Company will provide more detailed information to customer upon request at no additional charge to the customer.

A Competitive Retailer may request testing of a Non-Company Owned Meter. Company shall invoice any charges resulting from the request, to the Competitive Retailer. If a Non-Company Owned Meter is determined to be outside the accuracy standards established by ANSI, the Company shall remove the Meter and install a replacement Meter. Company must immediately notify Competitive Retailer upon removal of the Meter.

4.7.5 INVOICE ADJUSTMENT DUE TO METER INACCURACY, METER TAMPERING OR THEFT

If any Meter is determined to be non-compliant with the accuracy standards prescribed by Commission rules, Company shall render an adjusted bill pursuant to Commission rules.

4.8 DATA EXCHANGE

Company shall make proprietary Retail Customer information available to Competitive Retailer as prescribed by Applicable Legal Authorities. Company shall not assess separate charges to Competitive Retailer for the provision of the most recent 12 months of Meter Data used by Company for billing the Premises; however charges may apply for the provision of such data beyond the most recent 12 months.

4.8.1 DATA FROM METER READING

Company shall make available to the Registration Agent within three Business Days of the Scheduled Meter Reading Date, all of the data recorded in the Meter that is used for Company billing and is required by the Retail Customer's settlement profile (such as kWh, kW, kVA) and, if

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applicable, Power Factor and any Meter Data required by Applicable Legal Authorities for Competitive Retailer to bill the Retail Customer. Competitive Retailer has the right to physical access of the Meter to the same extent Retail Customer has access, in accordance with the provisions of Section 5.10.2, RETAIL CUSTOMER RESPONSIBILITY AND RIGHTS, to obtain Meter Data if:

- (1) The Retail Customer authorizes the Competitive Retailer to access the Meter;
- (2) Data integrity is not compromised; and
- (3) Access is technically feasible.

Meter Data, except as specified in Section 4.8.1.3, METER READINGS FOR THE PURPOSE OF A SELF-SELECTED SWITCH OR TO VERIFY ACCURACY OF METER READING, will be sent to the Competitive Retailer in complete billing periods.

All Meter Data values for IDR Meters and Standard Meters will contain an associated date/time field as a time stamp, consistent with protocols implemented through Applicable Legal Authorities. All time stamps will be reported in CPT. Meter Data from all other Meters will have a date field.

Unless procedures are established for historical usage information to be provided by the Independent Organization, Company shall provide, in accordance with P.U.C. SUBST. R 25.472, Privacy of Customer Information and within three Business Days if requested by Competitive Retailer in a switch request, access to the most recent 12 months of historical usage and/or Interval Data for a Retail Customer to Competitive Retailer through the appropriate TX SET protocol.

Unless procedures are established for access to historical usage information to be provided by the Independent Organization, Company shall provide access to Retail Customer's historical usage and/or Interval Data, to Retail Customer and with the Retail Customer's permission, current and/or prospective Competitive Retailers within three Business Days of the receipt of the request. Company shall maintain at least 12 months of Meter Data, including Interval Data for any Premises for which Company records Interval Data. If access is not provided by the Independent Organization, Company shall provide access to these data for each Retail Customer served using an IDR Meter, AMS-M Meter, or Standard Meter through a web-portal or other means such that the historical data are accessible at any time. Company shall ensure confidentiality of Retail Customer data through the unique Retail Customer passwords or personal identification numbers (PINs) established by the Retail Customer.

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4.8.1.1 DATA RELATED TO INTERVAL METERS

Data from Standard Meters and IDR Meters will be sent as kWh during each interval. The kWh will be reported for each interval. Each recording interval shall be labeled according to Applicable Legal Authorities.

4.8.1.2 DATA REPORTED BY VOLUMETRIC (KWH) METERS

Data reported by volumetric (kWh) Meters will include: the start-of-period date, usage for period, Demand readings (if available), end-of-period date, and end-of-period reading. Exceptions, which include initial Meter Reads and Meter changes for start-of-period reading, shall be appropriately labeled and provided in accordance with Applicable Legal Authorities.

Upon termination of a Retail Customer's Delivery Service at a particular Point of Delivery through a successfully executed move-out transaction, Company will provide Meter Data to the Registration Agent within three Business Days of the date that the move-out was executed.

4.8.1.3 METER READINGS FOR THE PURPOSE OF A SELF-SELECTED SWITCH OR TO VERIFY ACCURACY OF METER READING

If a Competitive Retailer requests a self-selected switch, Company shall perform the associated Meter Reading in accordance with the timelines provided in Chapter 6. Meter Readings for the purpose of a self-selected switch shall be provided to both the new and previous Competitive Retailers on the next Business Day following the Meter Reading date. For the new Competitive Retailer, the billing period begins with the date of the Meter Reading for the purpose of a self-selected switch, and for the previous Competitive Retailer, the billing period ends with the date of the Meter Reading for the purpose of a self-selected switch.

A Meter Reading to verify the accuracy of an original Meter Reading of a Non-Standard Meter, other than an AMS-M Meter, shall be performed and the new reading shall be transmitted to Competitive Retailer within five Business Days of Company's receipt of the request. If, based upon the Meter re-read, it is determined that the original monthly Meter

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Reading was in error, the Meter Reading and Billing Determinants for that billing period shall be corrected in accordance with Section 4.4.3, INVOICE CORRECTIONS, and no Discretionary Service Charge will be applied by Company. If the Meter re-read determines that the original monthly Meter Reading was correct, a charge may be assessed for the re-read in accordance with Chapter 6.

4.8.1.4 ESTIMATED USAGE

Company is responsible for reading Meter on a monthly basis in accordance with the published Meter Reading Schedule. Company shall make a reasonable effort to complete an Actual Meter Reading. If Company does not complete an Actual Meter Reading, Company shall perform an Estimated Meter Reading for invoicing purposes in accordance with this Tariff. Estimated usage must be identified as "Estimated" in the TX SET transactions.

Unless an Applicable Legal Authority has prescribed an estimation methodology, Company shall perform an Estimated Meter Reading consistent with the following: In no event shall estimated usage equal zero for a known active Meter, or equal or exceed double the usage from the previous month's Actual Meter Reading unless Company has good reason to believe that this value is a reasonable estimate and can provide its reason upon request to Competitive Retailer.

For Meters other than Standard Meters, AMS-M Meters, and IDR Meters, when an Actual Meter Reading is taken after two or more consecutive months of estimation, Company shall allocate any over or under-estimated usage over the entire estimation period. The allocation shall be based on the average daily consumption for the Retail Customer for the period between Actual Meter Readings. For Standard Meters, AMS-M Meters, and IDR Meters, Company shall consistently use reasonable methodologies to develop Estimated Billing Determinants. When Company must estimate Interval Data, it shall estimate the interval usage based on a methodology that reasonably accounts for the Retail Customer's consumption and consumption patterns. If requested, Company shall provide the estimation methodology used.

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A Meter Reading for a Standard Meter, AMS-M Meter, or an IDR Meter shall not be considered an Estimated Meter Reading if an Actual Meter Reading was completed and Company had to estimate a limited number of intervals of data to fill in gaps in the data collected.

4.8.1.5 METER/BILLING DETERMINANT CHANGES

Upon a Meter change, the data for each Meter shall be reported as a separate set of data within a single SET corresponding to the Retail Customer's billing period.

If a Meter is replaced, an estimation of Meter Data may be made. The period of estimated Meter Data will be reported with the old Meter number.

If changes occur in Rate Schedule Billing Determinants, the new Billing Determinants will not become part of billing until the new Billing Determinants are available for a full Meter Reading cycle.

4.8.1.6 NOTICE OF PLANNED AND UNPLANNED INTERRUPTIONS TO MARKET COMMUNICATIONS AND DATA EXCHANGE

Company shall provide at least seven days advance notice to Competitive Retailer of any planned interruption to Company's ability to engage in market transactions or provide Meter Data to Competitive Retailer. Company shall provide notice of any significant unplanned interruptions to Company's market transactions or provision of Meter Data to Competitive Retailer no later than one hour after discovery or knowledge of the interruption. Notice is not required for short-term disruptions where market transactions or the provision of Meter Data are not affected or where there is no impact on Competitive Retailer. Company shall provide updates to Competitive Retailer in the event of changes to the expected duration of the interruption and inform Competitive Retailer when the interruption has concluded.

4.8.2 DATA FOR UNMETERED LOADS

For Unmetered Service, the following standards apply:

- (1) One usage value will be posted for an account, which may encompass multiple Points of Delivery;

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- (2) If a change in an account's inventory of Points of Delivery is discovered for a past billing period, the entire amount of usage for the account should be reported as an adjustment; and
- (3) If an account goes from unmetered to metered service, metered usage starts with the first full billing cycle after the Meter is installed.

4.8.3 ADJUSTMENTS TO PREVIOUSLY TRANSMITTED DATA

Re-sending or adjusting of previously transmitted data arises from revisions to estimated Meter Data, data maintenance activities (e.g., response to inquiries, needs to restore data files, and responses to problems with posted data), and Meter maintenance activities (e.g., adjustments as improved information becomes available due to discovery of incorrect Meter Data, crossed Meters, non-registering Meters, slow or fast Meters, incorrect multipliers, etc.).

The following standards apply to such previously transmitted data:

- (1) When corrections are made to previously sent TX SET data, the original TX SET data shall be first cancelled. Replacement TX SET data (labeled as replacement data) shall then be transmitted within one Business Day of the cancelled TX SET data;
- (2) When corrections are made to previously sent TX SET data, the complete set of TX SET data pertaining to a Meter and billing cycle shall be provided in the replacement transaction. When sending or correcting TX SET data, each billing cycle for the affected Meter shall be in a distinct TX SET data set. Only the TX SET data for the affected billing cycle and Meter shall be transmitted;
- (3) In the case of "crossed Meters," in which Meter numbers have been incorrectly reported for sets of usage data, the original TX SET data shall be cancelled and new TX SET data shall be transmitted that correctly reports the TX SET data, ESI ID, and other associated TX SET data;
- (4) Company shall make corrected TX SET data available to the original recipients in a timely manner no matter when the correction is made;
- (5) Company shall provide a reason for any correction to Competitive Retailer when the adjustment is made in the TX SET data;
- (6) All transactions containing corrections to a previously submitted TX SET transaction must be sent in accordance with TX SET standards as set forth in TX SET Implementation Guidelines and Commission rules; and

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- (7) For Interval Data associated with Standard Meters, for any replacement data that become available to Company due to corrected or revised actual or estimated intervals, Company shall timely replace the original Meter Data in the impacted intervals with such replacement data.

4.8.4 DATA EXCHANGE PROTOCOLS

The following standards and protocols are a baseline, or minimum set, necessary to facilitate data exchange between parties. Parties shall also comply with data exchange protocols established by the Commission or Independent Organization.

- (1) A uniform premise identifier number, ESI ID, will be utilized by the Company;
- (2) The ESI ID number will be used in all data exchanges specific to related premise data transactions;
- (3) ESI ID is a unique, permanent, and non-intelligent number, used to facilitate communications in an unbundled electric market. The format shall be as determined by the protocols adopted by the Independent Organization; and
- (4) An ESI ID will be assigned by the Company for each Point of Delivery in accordance with protocols adopted by the Independent Organization.

4.9 DISPUTE RESOLUTION PROCEDURES

4.9.1 COMPLAINT PROCEDURES

For complaints about Delivery Service including billing disputes, Competitive Retailer may contact the Company during normal business hours.

Company and Competitive Retailer shall use good-faith and commercially reasonable efforts to informally resolve all disputes arising out of the implementation or interpretation of this Tariff and/or the activities relating to retail access. Unless otherwise provided for in this Tariff, all disputes shall be conducted pursuant to the following procedures:

- (1) Company or Competitive Retailer may initiate the dispute process by presenting to the other party a notice of the dispute/complaint in writing, unless the dispute involves an invoice and notice has already been given under Section 4.4.8, INVOICE DISPUTES. Notice shall include, at a minimum, a clear description of the dispute, the nature of the dispute, a contact name and telephone number, and a proposed resolution;

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- (2) Disputes shall be referred as promptly as practicable to a designated senior representative of each of the parties for resolution on an informal basis;
- (3) The receiving party shall investigate the complaint and provide a response to the complaining party and a proposed resolution in writing as soon as possible, but not later than ten Business Days following receipt of the complaint;
- (4) In the event that the designated representatives are unable to resolve the dispute within 30 calendar days, from the date of the complaining party's initial notice under this Section, such dispute, by mutual agreement, may be referred to mediation or be submitted to binding arbitration and resolved in accordance with the current Commercial Arbitration Rules of the American Arbitration Association; and
- (5) In the event that binding arbitration is not chosen and resolution is not obtained within 30 calendar days after the initial notice or another mutually agreed upon timeline, an affected party may file a complaint with the Commission.

4.9.2 COMPLAINT WITH REGULATORY AUTHORITY

Nothing in this section shall restrict the rights of Company or Competitive Retailer to file a complaint with the Commission, or to exercise all other legal rights and remedies.

4.10 SERVICE INQUIRIES

Competitive Retailer may contact Company regarding the Delivery Service in situations that include, but are not limited to, the following:

- (1) Inquiries regarding site specific Delivery Services;
- (2) Construction of new lines, installation of a Meter, modification of existing equipment or change in Point of Delivery;
- (3) Special circumstances such as Delivery Service requirements that are of non-standard size or characteristics; or
- (4) Initiation of Delivery System Service to Retail Customer.

A Competitive Retailer seeking information about the above items may contact Company as appropriate during normal business hours.

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4.11 OUTAGE AND SERVICE REQUEST REPORTING

4.11.1 NOTIFICATION OF INTERRUPTIONS, IRREGULARITIES, AND SERVICE REQUESTS

Competitive Retailer shall be responsible for informing its Retail Customers how to report interruptions, irregularities, outages, and how to report service requests. Competitive Retailer shall meet this obligation in one of three ways:

- (1) Competitive Retailer may direct Retail Customers to call the Competitive Retailer for such reporting or requests and electronically forward outage information to the Company. Such arrangements shall ensure that all necessary information is communicated in a manner such that Company can respond to requests in a timely fashion and that Competitive Retailers are kept informed of the status of restoration efforts and service requests;
- (2) Competitive Retailer may direct Retail Customer to call Competitive Retailer for such reporting or requests and then forward the call to Company; or
- (3) Competitive Retailer may direct Retail Customers to directly call Company to make such reports or requests.

Competitive Retailer choosing option (1) must ensure that all necessary information is electronically communicated to Company in a timely manner using the appropriate TX SET protocol or other communication alternative agreed to by Company and Competitive Retailer, so as not to unnecessarily delay Company's response. Upon notification by a Competitive Retailer that the Competitive Retailer plans to forward outage information or service order requests to Company electronically, Company shall be capable of receiving data electronically from Competitive Retailer within 18 months, unless mutually agreed otherwise by Company and Competitive Retailer or Company obtains a waiver from the Commission. The data necessary includes the following information:

- (1) Customer name, and if different, contact name;
- (2) Contact phone number;
- (3) ESI ID;
- (4) Service address (including City and zip code) and directions to location when necessary; and
- (5) Description of problem or requested service.

A Competitive Retailer choosing option (2) shall ensure that calls are properly forwarded to a Company supplied toll free telephone number. A Competitive Retailer choosing option (3) shall provide Retail Customers, in accordance with the Commission's customer protection rules, with the

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Company supplied toll free telephone number and indicate that Retail Customer should call this number for interruptions, irregularities, outages, and/or service requests.

A Competitive Retailer choosing option (2) or (3) shall make arrangements with the Company to pre-authorize any service requests for which the Company will invoice the Competitive Retailer before such requests are performed. A Competitive Retailer who does not make other arrangements shall be deemed to have pre-authorized all service requests from Retail Customers. Company shall not act in a discriminatory manner in making such arrangements with Competitive Retailers.

Competitive Retailer shall designate in the Delivery Service Agreement Form (Appendix A to this Tariff) which one of the three options it will select as its primary method for reporting interruptions, irregularities, outages, and which one of the three options it will select as its primary method for making service repair requests. Nothing in this section is meant to restrict a Competitive Retailer who has chosen to utilize option (1) or (2) for the majority of their Retail Customers to allow a Retail Customer with special needs to directly contact the Company if agreed to by the Competitive Retailer and Retail Customer, provided that Competitive Retailer abides by the conditions prescribed by this section for choosing option (3) for that Retail Customer.

Company shall notify Competitive Retailers choosing option (2) or (3) of any change in the Company supplied telephone number 60 days in advance of such change.

4.11.2 RESPONSE TO REPORTS OF INTERRUPTIONS AND REPAIR REQUESTS

Company will promptly investigate reported problems. If, upon making a Service Call, Company determines that a reported problem is caused by a condition on Retail Customer's side of the Point of Delivery, Company shall notify Competitive Retailer, and, if authorized by the Commission, charge Competitive Retailer a fee for the Service Call pursuant to the applicable Rate Schedule.

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CHAPTER 5: SERVICE RULES AND REGULATIONS RELATING TO THE PROVISION OF DELIVERY SERVICE TO RETAIL CUSTOMERS

5.1 GENERAL

5.1.1 APPLICABILITY OF CHAPTER

This Chapter governs the terms of access and conditions of the provision of Delivery Service by Company to Retail Customers, whether the Retail Customer has entered into a Service Agreement or not. This Tariff also applies to Retail Customers receiving Delivery Service unlawfully or pursuant to unauthorized use.

5.1.2 COMPANY CONTACT INFORMATION

Notices and other communications by Retail Customer to Company shall be addressed to:

<CONTACT NAME>

<CONTACT ADDRESS>

<CONTACT PHONE NUMBER>

5.2 LIMITS ON LIABILITY

5.2.1 LIABILITY BETWEEN COMPANY AND RETAIL CUSTOMERS

This Tariff is not intended to limit the liability of Company or Retail Customer for damages except as expressly provided in this Tariff.

Company will make reasonable provisions to supply steady and continuous Delivery Service, but does not guarantee the Delivery Service against fluctuations or interruptions. Company will not be liable for any damages, whether direct or consequential, including, without limitation, loss of profits, loss of revenue, or loss of production capacity, occasioned by fluctuations or interruptions unless it be shown that Company has not made reasonable provision to supply steady and continuous Delivery Service, consistent with the Retail Customer's class of service, and in the event of a failure to make such reasonable

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provisions, whether as a result of negligence or otherwise, Company's liability shall be limited to the cost of necessary repairs of physical damage proximately caused by the service failure to those electrical delivery facilities of Retail Customer which were then equipped with the protective safeguards recommended or required by the then current edition of the National Electrical Code.

Company will make reasonable provisions to provide Construction Service, but does not guarantee the timeliness of initiating or completing such Construction Service nor the suitability of such facilities for Retail Customer's specific uses. Company will not be liable for any damages, whether direct or consequential, including, without limitation, loss of profits, loss of revenue, or loss of production capacity, occasioned by the failure to provide timely or suitable Construction Service. The term "Construction Service" in this paragraph includes any and all services that (a) are provided, (b) fail to be provided, or (c) fail to be timely provided by Company, from the time Retail Customer first contacts Company with respect to the provision of any type of Construction or Delivery Service.

However, if damages result from failure to provide timely or suitable Construction Service or fluctuations or interruptions in Delivery Service that are caused by Company's or Retail Customer's gross negligence or intentional misconduct, this Tariff shall not preclude recovery of appropriate damages when legally due.

5.2.2 LIMITATION OF DUTY AND LIABILITY OF COMPETITIVE RETAILER

Competitive Retailer has no ownership, right of control, or duty to Company, Retail Customer or other third party, regarding the design, construction or operation of Company's Delivery System. Competitive Retailer shall not be liable to any person or entity for any damages, direct, indirect or consequential, including, but without limitation, loss of business, loss of profits or revenue, or loss of production capacity, occasioned by any fluctuations or interruptions of Delivery Service caused, in whole or in part, by the design, construction or operation of Company's Delivery System.

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5.2.3 DUTY TO AVOID OR MITIGATE DAMAGES

Company and Retail Customer shall use reasonable efforts to avoid or mitigate its damages or losses suffered as a result of the other's culpable behavior under Section 5.2.1, LIABILITY BETWEEN COMPANY AND RETAIL CUSTOMERS.

5.2.4 FORCE MAJEURE

Neither Company nor Competitive Retailer shall be liable for damages for any act or event that is beyond such party's control and which could not be reasonably anticipated and prevented through the use of reasonable measures, including, but not limited to, an act of God, act of the public enemy, act of terrorism, war, insurrection, riot, fire, explosion, labor disturbance or strike, wildlife, unavoidable accident, equipment or material shortage, breakdown or accident to machinery or equipment, or good-faith compliance with a then valid curtailment, order, regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, including any order or directive of the Independent Organization.

5.2.5 EMERGENCIES AND NECESSARY INTERRUPTIONS

Company may curtail, reduce voltage, or interrupt Delivery Service in the event of an emergency arising anywhere on the Delivery System or the interconnected systems of which it is a part, when the emergency poses a threat to the integrity of its system or the systems to which it is directly or indirectly connected if, in its sole judgment, such action may prevent or alleviate the emergency condition. Company may interrupt service when necessary, in Company's sole judgment, for inspection, test, repair, or changes in Company's Delivery System, or when such interruption will lessen or remove possible danger to life or property, or will aid in the restoration of Delivery Service.

Company shall provide advance notice to Retail Customer's Competitive Retailer, if reasonably possible. Such notice may be made by electronic notice to all certificated Competitive Retailers operating within Company's service territory, specifically identifying the location, time, and expected duration of outage. Notice shall also be provided, if reasonably possible, to those Retail Customers designated as Critical Care Residential Customers, Chronic Care Residential Customers, Critical Load Industrial Customers, and Critical Load Public Safety Customers. If Retail Customer believes it qualifies for designation as a Critical Care Residential Customer, Chronic Care Residential Customer, Critical Load Industrial Customer, or Critical Load Public Safety

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Customer under P.U.C. SUBST. R. 25.497, Retail Customer may apply for designation as provided in P.U.C. SUBST. R. 25.497.

Nothing herein shall prevent the Company from being liable if found to be grossly negligent or to have committed intentional misconduct with respect to its exercise of its authority in this Tariff.

The operation of BPL shall not interfere with or diminish the reliability of Company's Delivery System. Should a disruption in the provision of Delivery Service occur due to BPL, Company shall prioritize restoration of Delivery Service prior to restoration of BPL-related systems.

5.2.6 LIMITATION OF WARRANTIES BY COMPANY

Company makes no warranties with regard to the provision of Construction Service or Delivery Service and disclaims any and all warranties, express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose.

5.3 SERVICE

Company shall provide Delivery Service pursuant to the terms and conditions of this Tariff to any Retail Customer within Company's certificated service territory requiring such service. Except as required for Construction Services or other unique Delivery Service needs, Retail Customer should contact Retail Customer's designated Competitive Retailer for all matters relating to the provision of Delivery Service.

5.3.1 INITIATION OF DELIVERY SYSTEM SERVICE (SERVICE CONNECTION)

For the purposes of this section, "initiation of Delivery System Service" refers to the actions taken by Company to energize Retail Customer's connection to the Delivery System.

5.3.1.1 INITIATION OF DELIVERY SYSTEM SERVICE WHERE CONSTRUCTION SERVICES ARE NOT REQUIRED

Where existing Company facilities will be used for Delivery System Service and no Construction Service is needed, Company shall initiate Delivery System Service for Retail Customer if requested by Competitive Retailer through the Registration Agent unless:

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- (1) The Retail Customer's Electrical Installation is known to be hazardous under applicable Codes or interferes with the service of other Retail Customers; or unless a known dangerous condition exists as long as it exists; or
- (2) The Competitive Retailer is not eligible for Delivery Service under Section 4.3.1, ELIGIBILITY or the Competitive Retailer or Retail Customer is in default under this Tariff. Retail Customer is considered to be in default if Retail Customer fails to satisfy any material obligation under this Tariff after being given notice of the failure and at least ten days to cure.

Company may decline to initiate Delivery Service if it cannot be provided consistent with Good Utility Practice. The Retail Customer is responsible for selecting an eligible Competitive Retailer. Company shall direct Retail Customer to the Commission for a list of eligible Competitive Retailers or to other sources of information subject to Commission's Code of Conduct rules, if requested. Company shall provide initiation of Delivery System Service in accordance with Section 6.1.

5.3.1.2 INITIATION OF DELIVERY SYSTEM SERVICE WHERE CONSTRUCTION SERVICES ARE REQUIRED

Where Construction Services are required prior to the initiation of Delivery System Service, Retail Customer may contact Company directly to make arrangements for such service. All such requests shall be governed by the provisions in Section 5.7, FACILITIES EXTENSION POLICY. After completion of Construction Service, Company shall initiate Delivery System Service in accordance with Section 5.3.1.1, INITIATION OF DELIVERY SYSTEM SERVICE WHERE CONSTRUCTION SERVICES ARE NOT REQUIRED.

5.3.2 REQUESTS FOR CONSTRUCTION SERVICES

All Construction Service requests must include the following information:

- (1) Retail Customer contact name;
- (2) Retail Customer contact phone number;
- (3) ESI ID, if in existence and available;
- (4) Service address (including City and zip code), directions to location, and access instructions when appropriate;
- (5) Construction Services requested; and
- (6) Requested date for Company to perform or provide Construction Service.

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Company will contact the person designated in the request within two Business Days to make necessary arrangements for Construction Services pursuant to Section 5.7, FACILITIES EXTENSION POLICY and Section 5.10, METER. If a new ESI ID is required, Company shall establish the new ESI ID for the Point of Delivery and transmit the appropriate TX SET transaction to the Registration Agent prior to the commencement of Construction Services.

5.3.3 CHANGING OF DESIGNATED COMPETITIVE RETAILER

Company shall change a Retail Customer's designated Competitive Retailer upon receipt of proper notification from the Registration Agent, in accordance with the Applicable Legal Authorities, unless the new Competitive Retailer is in default under this Tariff or is not eligible for Delivery Service under Section 4.3.1, ELIGIBILITY, of this Tariff. Company shall release proprietary customer information to a Competitive Retailer in a manner prescribed by Applicable Legal Authorities.

5.3.4 SWITCHING FEES AND SWITCHOVERS

Company shall not charge Retail Customer for a change in designation of Retail Customer's Competitive Retailer. Company shall charge Retail Customer for a switchover to another distribution utility in accordance with Section 6.1, RATE SCHEDULES, of this Tariff.

5.3.5 IDENTIFICATION OF THE PREMISES AND SELECTION OF RATE SCHEDULES

The establishment, assignment and maintenance of ESI IDs shall be as determined by Applicable Legal Authorities. In addition, Company shall:

1. Assign a unique ESI ID for each Point of Delivery, or in the case of non-Metered load, a unique ESI ID to each Premises, in accordance with Applicable Legal Authorities;
2. Establish separate and distinct ESI IDs for temporary and permanent service. The temporary ESI ID shall be retired after all market transactions associated with the temporary ESI ID have been completed. If the temporary Meter has been used for the same Premises for which the permanent Meter will be used, the same ESI ID may be used for temporary and permanent service;
3. Identify, assign, and maintain ESI IDs with the appropriate load profile, Meter Reading cycle, and other information necessary for accurate settlement of the wholesale market, unless such functions are undertaken by the Independent Organization;

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4. Notify the Competitive Retailer and Independent Organization, using the appropriate TX SET transaction, of revisions in the assignment of a Rate Schedule; and
5. Maintain accurate United States Postal Service compliant services addresses, when available, to comply with Applicable Legal Authorities. When there are two or more ESI IDs for the same service address, the service address shall include information to distinguish between the Points of Delivery at the service address.

The Rate Schedules included in this Tariff state the conditions under which Company's Delivery Services are available and the applicable rates for each Delivery Service. For service to a new Retail Customer at an existing Premises, Company shall reset all Demand Ratchets and Retail Customer's Billing Demand and charges for Delivery Service shall not be determined based upon Premises history not associated with the new Retail Customer or on Retail Customer's previous history at a prior location unless Company's current base rates were set based on the assumption that the Demand Ratchet would not be reset, in which case, Company shall begin resetting Demand Ratchet no later than the conclusion of its next general rate case. Retail Customer may, if directed by Competitive Retailer, contact the Company to discuss the appropriate Rate Schedule for the Retail Customer. If requested, Company will assist Retail Customer in selecting the Rate Schedule that is best suited to existing or anticipated Delivery Service requirements. However, Company does not assume responsibility for the selection of the Rate Schedule or for any failure to select the most appropriate Rate Schedule for Retail Customer's Delivery Service requirements. Company shall direct Retail Customer to its Competitive Retailer to initiate any changes in Rate Schedule selection.

Retail Customer shall notify its Competitive Retailer, who will in turn notify Company, of any factors affecting Retail Customer's Electrical Installation or use of Premises that may affect the applicability of a Rate Schedule. Company may change a Retail Customer's Rate Schedule if Company is made aware that the Retail Customer is no longer eligible to receive service under its current Rate Schedule.

5.3.6 CHANGES IN RATE SCHEDULES

Unless a change in Rate Schedule is requested as a result of a change in Company's facilities or the Meter used to serve Retail Customer, or unless the change in Rate Schedule requires a different billing methodology, any change in a Rate Schedule selection shall be applicable for the entire

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billing cycle in which the change in Rate Schedule was requested if the request is made at least two Business Days before the Meter Reading date for that Retail Customer. If a change in Company's facilities or Meter used to serve Retail Customer occurs, or if the change in Rate Schedule requires a different billing methodology or different Billing Determinants, then the change shall be effective in the next full billing cycle.

5.3.7 SUSPENSION OF SERVICE

5.3.7.1 URGENT SUSPENSIONS

Company may intentionally suspend Delivery Service to Retail Customer's Electrical Installation if it knows that providing the service is hazardous or a hazardous condition may be imminent, for as long as such condition exists or may be imminent, provided that such suspension eliminates or mitigates the hazardous condition and does not result in another hazardous or life-threatening condition. Company shall take reasonable steps to notify Retail Customer as soon as possible after Company decides that it will suspend service. Where reasonable, Company shall post a notice of suspension and the reason for the suspension at the place of common entry or upon the front door of each affected Retail Customer as soon as possible after service has been disconnected..

Company may also suspend service when such suspension is authorized by Applicable Legal Authorities.

5.3.7.2 OTHER SUSPENSIONS

Company may suspend Delivery Service to Retail Customer upon notice to Retail Customer's Competitive Retailer:

- (1) In the event of unauthorized use, connection or reconnection, or diversion of service, or Tampering with the Meter or equipment, or bypassing same;
- (2) In the event that Delivery Service to Retail Customer's Electrical Installation cannot be provided consistent with Good Utility Practice, after a reasonable opportunity has been provided to Retail Customer to remedy the situation;
- (3) In the event of Retail Customer's violation of the provisions of Company's Tariff pertaining to the use of Delivery Service in a manner which interferes with the Delivery Service of others, or the operation of nonstandard equipment, or as

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otherwise specified by written agreement, and a reasonable opportunity has been provided to remedy the situation;

- (4) Upon Retail Customer's failure to comply with the terms of any written agreement made between Company and Retail Customer, or upon default of Retail Customer under such an agreement, or upon failure to pay any charges billed by Company directly to Retail Customer pursuant to Section 5.8.2, BILLING TO RETAIL CUSTOMER BY COMPANY, after a reasonable opportunity has been provided to remedy the failure;
- (5) For Retail Customer's failure to provide Company with reasonable access to Company's facilities and the Meter located on Retail Customer's Premises; or
- (6) Upon Company's receipt of a notice requiring such action, in the form and from the party specified by the Applicable Legal Authorities. Company will not be responsible for monitoring or reviewing the appropriateness of any such notice, except as provided in Section 5.3.7.4, PROHIBITED SUSPENSION OR DISCONNECTION.

5.3.7.3 RESTORATION OF SERVICE

Company will conduct restoration efforts as soon as possible following the alleviation or correction of the conditions that caused a suspension or disconnection and provide notice to Retail Customer's Competitive Retailer as soon as practicably possible.

5.3.7.4 PROHIBITED SUSPENSION OR DISCONNECTION

(1) Except in the case of suspensions of service related to dangerous conditions, clearance requests, or move-out requests, Company shall not disconnect or suspend Delivery Service to Retail Customer in the following situations:

- (A) On a day, or on a day immediately preceding a day, when personnel of Company are not available to the public for the purpose of reconnecting Delivery Service;
- (B) For delinquency of payment to Company by Retail Customer's Competitive Retailer;
- (C) During an "extreme weather emergency" as defined in the Commission's customer protection rules;
- (D) At a permanent, individually metered dwelling unit of a Retail Customer for non-payment of amounts billed directly to Retail Customer by Company pursuant to the

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Company's Tariff, when that Retail Customer establishes that disconnection of Delivery Service will cause some person residing at that residence to become seriously ill or more seriously ill.

- (i) Each time a Retail Customer seeks to avoid disconnection of Delivery Service under subsection (D), the Retail Customer must accomplish all of the following by the stated date of disconnection:
 - (I) have the subject person's attending physician (for purposes of this subsection the term "physician" shall mean any public health official, including, medical doctors, doctors of osteopathy, nurse practitioners, registered nurses, and any other similar public health official) call or contact the Company by the date of the disconnection;
 - (II) have the subject person's attending physician submit a written statement to Company; and
 - (III) enter into a deferred payment plan.
- (ii) The prohibition against Delivery Service disconnection provided by subsection (D) shall last 63 days from the issuance of the bill by Company or a shorter period as agreed upon by Company and Retail Customer or subject person's physician; or
- (E) When the disconnection is authorized by the REP as a disconnection for nonpayment of electric service and Retail Customer is designated as a Critical Care Residential Customer, unless all of the procedures required by Company pursuant to P.U.C. SUBST. R. 25.497 and P.U.C. SUBST. R. 25.483 have been completed; or when the disconnection is authorized by the REP as a disconnection for nonpayment of electric service and Retail Customer is designated as a Critical Load Industrial Customer or a Critical Load Public Safety Customer, unless all Company-established processes are followed. Upon request, Company shall provide a paper or electronic copy of all Company-established processes for the disconnection of a Critical Load Industrial Customer or Critical Load Public Safety Customer to Competitive Retailer.

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5.3.8 DISCONNECTION AND RECONNECTION OF SERVICE TO RETAIL CUSTOMER'S FACILITIES

At the request of Retail Customer, or Retail Customer's designated Competitive Retailer, for Retail Customer related construction, alteration, emergency, or other temporary clearance, Company shall disconnect Retail Customer's facilities in accordance with Chapter 6.

Competitive Retailer may request disconnection for non-payment by Retail Customer or reconnection thereafter as authorized by the Commission's customer protection rules. Company shall disconnect and reconnect Retail Customer's Premises upon request by a Competitive Retailer authorized to do so.

5.4 ELECTRICAL INSTALLATION AND RESPONSIBILITIES

5.4.1 RETAIL CUSTOMER'S ELECTRICAL INSTALLATION AND ACCESS

Retail Customer is responsible for the design, installation, operation, protection, and maintenance of electric facilities beyond the Point of Delivery, and Company shall have no responsibility therefore, except for if Meter is maintained by Company. Retail Customer's Electrical Installation for receiving Electric Power and Energy must be installed in accordance with Company's specifications for electrical installations, which are available upon request at Company's business offices located in the specific area where Delivery Service is desired. Retail Customer shall install and maintain Retail Customer's Electrical Installation in accordance with all applicable Codes, and in such condition and manner as not to endanger persons or property, or to cause impairment of Company's Delivery Service to Retail Customer or others. Retail Customer assumes responsibility for Electric Power and Energy delivered to Retail Customer at and past the Point of Delivery in accordance with Section 5.5, RETAIL CUSTOMER'S ELECTRICAL LOAD.

5.4.2 INSPECTION AND APPROVAL OF RETAIL CUSTOMER'S ELECTRICAL INSTALLATION

In those locations where an ordinance requires Retail Customer to obtain a certificate of inspection and acceptance or a permit, Retail Customer shall obtain all necessary permits and certificates of inspection covering its electrical installation. Company will not interconnect its Delivery System facilities with Retail Customer's Electrical Installation until Company receives notification of approval of Retail Customer's Electrical Installation by the proper authority.

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Company does not assume any duty of inspecting Retail Customer's lines, wires, switches, or other equipment. Without limiting the provisions of the foregoing sentence, Company shall decline to interconnect its Delivery System facilities with Retail Customer's Electrical Installation if it is known to be hazardous or would interfere with the service of other Retail Customers, and may decline to interconnect if satisfactory Delivery Service to Retail Customer cannot be provided consistent with Good Utility Practice.

5.4.3 LOCATION OF POINT OF DELIVERY AND RETAIL CUSTOMER'S ELECTRICAL INSTALLATION

Retail Customer's Electrical Installation must be arranged so that the location of the Point of Delivery allows Company to provide safe and reliable Delivery Service, taking into consideration the location of existing Company facilities and construction needed to connect Retail Customer's Electrical Installation to Company's Delivery System.

Any change from the Company-approved Point of Delivery may be subject to a Discretionary Service Charge pursuant to Section 6.1, RATE SCHEDULES.

In the event Company is required by Applicable Legal Authorities to relocate any of its facilities, Retail Customer shall, at Retail Customer's expense, relocate or change Retail Customer's Electrical Installation as required.

5.4.4 CONNECTION OF RETAIL CUSTOMER'S ELECTRICAL INSTALLATION TO COMPANY FACILITIES

Only personnel authorized by Company are permitted to make, energize, or de-energize connections between Company facilities and Retail Customer's Electrical Installation.

5.4.5 PROVISIONS FOR COMPANY FACILITIES AND EQUIPMENT AND THE METER

Retail Customer must grant to or secure for Company, at Retail Customer's expense, any rights-of-way or easements on property owned or controlled by Retail Customer necessary for Company to install Delivery System facilities for the sole purpose of delivering Electric Power and Energy to Retail Customer. Retail Customer must provide, without cost to Company, suitable space on Retail Customer's Premises for the installation of Delivery System facilities necessary to deliver Electric

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Power and Energy to Retail Customer and for installation of Metering Equipment and the Meter pursuant to Section 5.10, METER.

5.4.6 RETAIL CUSTOMER'S DUTY REGARDING COMPANY'S FACILITIES ON RETAIL CUSTOMER'S PREMISES

Consistent with Section 5.2, LIMITS ON LIABILITY (which limits any legal liability only as expressly stated therein), Retail Customer shall have a duty to exercise reasonable care not to damage Company Delivery System facilities on Retail Customer's Premises and shall not be considered to be a bailee or to have possession of those facilities.

Retail Customer shall not Tamper with Company's facilities or the Meter on Retail Customer's Premises. ***Company shall not be liable to Retail Customer for any injuries that result from such Tampering.*** Loss of, or damage to, Company Delivery System facilities on Retail Customer's Premises caused by or arising out of Retail Customer's Tampering or failure to exercise reasonable care not to damage such facilities shall be subject to the provisions of Section 5.2, LIMITS ON LIABILITY. Charges for such loss or damage shall be consistent with Section 6.1, RATE SCHEDULES.

The Retail Customer's authorization of the use of the Meter by a third party or designation of a Meter Owner does not relieve the Retail Customer of its obligations with regard to exercising care of the Delivery System or of prohibitions against Tampering with the Meter. Additionally, consistent with Section 6.1, RATE SCHEDULES, the Company may assess charges to Retail Customer for any damage or loss caused by the Retail Customer or by parties to whom Retail Customer has authorized to access the Meter.

Company shall repair any street light or security light within 15 calendar days of receipt of a repair request from either the Retail Customer or Competitive Retailer unless otherwise provided in the Rate Schedules that pertain to lighting.

5.4.7 UNAUTHORIZED USE OF DELIVERY SYSTEM

In the event of use or attempted use of the Delivery System, without Company's authorization, whether by Tampering with Meter or Metering Equipment or by any other means, Delivery Service may be suspended by Company. Company must comply with all Applicable Legal Authorities and

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Section 5.3.7, SUSPENSION OF SERVICE. A person found to be using the Delivery System without authorization must pay the charge for restoring Delivery Service as provided in Company's Rate Schedules under which that person would normally receive Delivery Service and may be required to pay all charges, including the following, before Delivery Service will be restored or initiated:

- (1) The Delivery Charges associated with the estimated amount of electricity delivered without Company authorization, which may be estimated based on amounts used under similar conditions during preceding years. Where no previous usage history exists at the same Premises, consumption may be estimated on the basis of usage levels of similar Retail Customers at similar Premises under similar conditions;
- (2) The cost of replacing and repairing a Meter and associated Company equipment (including the Meter seal);
- (3) The cost of installment of protective facilities or of relocation of Meter, if necessary to prevent further unauthorized use; and
- (4) All other costs associated with the investigation and correction of the unauthorized use.

5.4.8 ACCESS TO RETAIL CUSTOMER'S PREMISES

Company's duly authorized representatives have the right of access to Retail Customer's Premises at all reasonable hours, or at any hour if for the sole purpose of restoring Delivery Service, to: inspect, erect, install, maintain, upgrade, convert, remove, or replace Company's wiring apparatus and other facilities; read the Meter; and perform other activities necessary to provide Delivery Service, including tree trimming and tree removal where such trees in the opinion of Company constitute a hazard to Company personnel or facilities, or to the provision of continuous Delivery Service, provided, however, that such representatives comply with all applicable site-specific safety requirements which have been communicated by Retail Customer in writing to Company. Such personnel must exhibit a photo-identification badge to gain access. Failure to provide access may result in suspension of Delivery Service and/or additional charges under the appropriate Commission approved Tariff that shall be billed to Retail Customer's designated Competitive Retailer. Company shall notify Retail Customer's designated Competitive Retailer of Retail Customer's failure to provide access. Retail Customer shall not grant access to the facilities of Company and the Meter except to authorized Company representatives.

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5.5 RETAIL CUSTOMER'S ELECTRICAL LOAD

5.5.1 LOAD BALANCE

If a Retail Customer takes multi-phase Delivery Service, Retail Customer must take reasonable actions to control the use of Electric Power and Energy so that Retail Customer's Electrical Load at the Point of Delivery is in reasonable balance.

5.5.2 INTERMITTENT ELECTRICAL LOADS AND LIMITATIONS ON ADVERSE EFFECTS

Retail Customer shall not, without Company's consent, connect or operate equipment that produces voltage fluctuations, interference or distorted wave forms that adversely affect Delivery Service to other Retail Customers or that may be detrimental to the Delivery System. Such equipment includes, but is not limited to, spot and arc welding machines, X-ray machines, arc-furnaces, variable speed drives, elevators, dredges, locomotives, shovels, feed grinders, etc. Retail Customer contemplating the installation of such equipment must make specific prior arrangements through Competitive Retailer, or if directed by Competitive Retailer, with the Company directly. As part of such arrangements, Company may require the installation on Retail Customer's side of the Meter, of suitable apparatus, including additional transformer capacity or other equipment designed specifically to reasonably limit such adverse effect. Any such equipment provided by Company on the Delivery System (which may or may not be dedicated solely to such Retail Customer) to correct such adverse effects shall be treated as a Discretionary Service that is subject to the applicable Rate Schedule contained in Section 6.1, RATE SCHEDULES.

Company shall comply with the procedures described in P.U.C. SUBST. R. 25.51, Power Quality.

Where intermittent electrical loads or load control devices are a part of Retail Customer's installation, Company may determine through a methodology approved by the Commission, the billing Demand associated with the Retail Customer's Premises on the basis of a time interval which is shorter than that specified in Company's Rate Schedule under which Retail Customer is receiving Delivery Service.

5.5.3 EQUIPMENT SENSITIVE TO VOLTAGE AND WAVE FORMS

Retail Customers planning the installation of electric equipment such as computers, communication equipment, electronic control devices, motors etc., the performance of which may be adversely

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affected by voltage fluctuations, distorted 60 hertz wave forms, or single phase events, are responsible for providing and installing the necessary facilities, including protective equipment, to limit these adverse effects.

5.5.4 CHANGE IN RETAIL CUSTOMER'S ELECTRICAL LOAD

Retail Customer, or Competitive Retailer at the request of Retail Customer, shall notify Company when Retail Customer's Electrical Load or contracted Demand is to be changed substantially so that Company may ensure its facilities are adequate. In the event Retail Customer adds electrical load at Retail Customer's installation that results in the use of Delivery Service in excess of the maximum capacity of the Delivery System facilities serving Retail Customer, Retail Customer is subject to liability pursuant to Section 5.2, LIMITS ON LIABILITY for any damage to Company's facilities resulting from the use of Delivery Service in excess of such maximum.

5.5.5 POWER FACTOR

If the Power Factor of Retail Customer's load is found to be less than 95% lagging as measured at the Meter, Company may require Retail Customer to arrange for the installation of appropriate equipment on Retail Customer's side of the Meter necessary to correct Retail Customer's Power Factor between unity and 95% lagging as measured at Meter, or, if Retail Customer fails to correct its Power Factor consistent with this standard, the demand associated with Retail Customer's use of Delivery Service, as determined in the appropriate Rate Schedules in Section 6.1 RATE SCHEDULES, may be increased according to the following formulas:

- (1) Calculation of Power Factor Adjusted NCP kW.

The NCP kW applicable under the Monthly Rate section shall be modified by the following formula:

Power Factor Adjusted Monthly NCP kW= (Actual Monthly NCP kW x 0.95)/Current Month
Power Factor

- (2) Calculation of Power Factor Adjusted 4-CP kW.

Each of the Retail Customer's monthly coincident peak kW Demands used to calculate the Retail Customer's average 4 CP kW Demand applicable under the Monthly Rate section shall be calculated using the following formula:

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Power Factor Adjusted Monthly CP kW = (Actual Monthly CP kW Demand at the time of the ERCOT peak x 0.95)/Monthly Power Factor

Power Factor Adjusted 4-CP kW=average of the Retail Customer's Monthly CP kW as adjusted for Power Factor if applicable.

- (3) Power Factor Adjusted Monthly NCP kW Demands will be used in determining the Billing kW under the applicable Tariff schedule.

If Company has a different Power Factor billing adjustment it shall conform to these calculations upon its next general rate case.

Should a Retail Customer's Power Factor deviate from the standard described above to the point that it is causing Delivery System problems for other Retail Customers, and the Retail Customer fails to correct the problem after sufficient notice, Company may install the necessary equipment on the Delivery System to correct the problem to the standard described above, and the Retail Customer shall be required to reimburse Company for the cost.

5.5.6 TESTING OF RETAIL CUSTOMER EQUIPMENT

In situations where historical Demand requirements will be exceeded due to properly noticed and Company approved scheduled equipment testing, Company will ignore for Billing Demand Ratchet purposes the test period demands. Approval of the equipment testing schedule including date and time, shall be at Company's discretion, but shall not be unreasonably withheld, provided Retail Customer or Competitive Retailer contacts Company at least ten days in advance of the equipment testing. In no event shall Company approved testing occur between the hours of 12 noon and 8:00 PM during the weekdays of the months of June, July, August, and September. Charges for electric usage (kWh and kW) during the test period, may be billed to the Competitive Retailer. Increased demand for the testing period shall not affect the customer's demand for billing ratchet purposes. Charges for reading and resetting the Meter, if required, shall be as calculated and shall be billed to Competitive Retailer.

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5.6 LIMITATIONS ON USE OF DISTRIBUTION SERVICE

5.6.1 INTRASTATE RETAIL DELIVERY SERVICE LIMITATIONS (FOR ERCOT UTILITIES)

Company will not provide Delivery Service to Retail Customer where any part of Retail Customer's Electrical Installation is located outside the State of Texas or is connected directly or indirectly to any other electric lines, all or part of which are located outside the State of Texas, other than through certain high-voltage direct current interconnections constructed under orders of the Federal Energy Regulatory Commission.

5.6.2 PARALLEL OPERATION

Retail Customer may not, without written agreement with Company, connect Retail Customer's Electrical Installation to a source of Electric Power and Energy in a manner that may permit Electric Power and Energy to flow into the Delivery System from such source. Retail Customer proposing the interconnection of Distributed Generation must comply with the provisions set forth in this Tariff and Applicable Legal Authorities. Requirements and specifications for all other interconnections for parallel operation shall be individually negotiated with Company.

5.7 FACILITIES EXTENSION POLICY

5.7.1 GENERAL

This Facilities Extension Policy ("Policy") addresses the requirements associated with extension of Delivery System facilities, i.e., Construction Services, at the request of Retail Customer or Competitive Retailer on behalf of its Retail Customer, for the following situations, which are sometimes collectively referred to as "extensions":

- (1) Installation of standard facilities;
- (2) Installation of facilities in excess of standard facilities normally provided for requested type of service and allowed for in this Tariff;
- (3) Installation of non-standard facilities;
- (4) Upgrades of facilities due to Customer adding load;
- (5) Electric connections to temporary facilities; and
- (6) Removal and relocation of facilities.

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Company is responsible for the construction of Delivery System facilities necessary to connect Retail Customer's Point of Delivery to the Delivery System. The treatment of extension of Meter facilities is excluded from this section and is addressed in Section 5.10, METER, of this Chapter. Payments in the form of a contribution in aid of construction or an advance for construction may be required from the entity requesting such Construction Service prior to commencement of construction in accordance with Section, 5.7.4, ALLOWANCE FOR FACILITIES, Section 5.7.5, NON-STANDARD FACILITIES, and Section 6.1, RATE SCHEDULES.

5.7.2 CONTRACTUAL ARRANGEMENTS

Company may require an executed Facility Extension Agreement, in the form approved by the Commission and specified in Section 6.3, AGREEMENTS AND FORMS, of this Tariff, between the entity requesting such service and Company prior to Company constructing standard and non-standard Delivery System facilities. In those instances where any payments are required, Company will provide a detailed cost estimate for the entity requesting the service to determine the special contractual arrangements required before Construction Service is provided. Regardless of any such payment, Company shall at all times have title to and complete ownership and control over facilities installed by Company.

5.7.3 PROCESSING OF REQUESTS FOR CONSTRUCTION OF DELIVERY SYSTEM

Requests for new residential Delivery Service requiring Construction Service, such as line extensions, shall be completed within 90 days of execution of the Facility Extension Agreement, or within a time period agreed to by the entity requesting the Construction Service and Company, and after the entity requesting Construction Service has made satisfactory payment arrangements for Construction Service Charges. For all other extensions requiring construction, requests should be completed within the time estimated by Company. For the purposes of this section, facility placement that requires a permit for a road or railroad crossing will be considered a line extension. Unless mutually agreed to by Company and Retail Customer, within ten Business Days of Company's receipt of a detailed request, Company shall give the entity requesting Construction Service an estimated completion date and an estimated cost for all charges to be assessed.

Unless a delay is beyond the reasonable control of Company, a delay of more than 90 days beyond execution of the Facility Extension Agreement for new residential Delivery Service shall constitute failure to serve, unless the entity requesting the service has agreed to a longer term. The

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Commission may conduct enforcement action and seek penalties and other remedies for unreasonable delays.

5.7.4 ALLOWANCE FOR FACILITIES

The entity requesting the service will receive an allowance for installation of facilities. The calculation of the allowance and definitions of standard and non-standard facilities are provided in Chapter 6. Payments in the form of a contribution in aid of construction may be required for requested extensions in excess of the allowance in accordance with Chapter 6. When two or more applications for Delivery Service from the same extension are received prior to starting construction of the extension, the maximum allowance is the sum of each individual applicant's allowance.

5.7.5 NON-STANDARD FACILITIES

Non-standard facilities are defined in Chapter 6, and may include but are not limited to a two-way feed, automatic and manual transfer switches, Delivery Service through more than one Point of Delivery, redundant facilities, facilities in excess of those normally required for Delivery Service, or facilities necessary to provide Delivery Service at a non-standard voltage.

If the entity requesting Construction Service desires Delivery Service utilizing non-standard Delivery System facilities, as described above and not covered elsewhere in this Tariff, Company shall construct such facilities unless, in the reasonable judgment of Company, such construction would impair Company's facilities or facilities with which Company is interconnected, impair the proper operation of such facilities, impair service to Retail Customers, or there are other appropriate concerns that the entity requesting service is unable or unwilling to correct. The entity requesting Construction Service shall pay to Company the estimated cost of all non-standard facilities, offset by any applicable allowance, as detailed in Chapter 6, and the Facility Extension Agreement.

5.7.6 CUSTOMER REQUESTED FACILITY UPGRADES

In the case of upgrades to Delivery System facilities necessitated by Retail Customer adding load in excess of existing Delivery System facility capacity, should a contribution in aid of construction be required pursuant to Chapter 6, only the cost of the facility upgrades that are attributable to the Retail Customer's request will be included in calculating a payment to Company.

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5.7.7 TEMPORARY DELIVERY SYSTEM

Company is responsible for the extension of Delivery System facilities necessary to connect Retail Customer's temporary Point of Delivery to Company's Delivery System for the purpose of providing temporary Delivery Service. Retail Customer, or the entity requesting such service, shall pay Company prior to Company's constructing temporary Delivery System facilities in accordance with Chapter 6.

5.7.8 REMOVAL AND RELOCATION OF COMPANY'S FACILITIES AND METERS

Company may remove or relocate Company facilities and the Meter at Retail Customer's request unless doing so would create a safety hazard or would be incompatible with providing safe and reliable Delivery Service. Retail Customer, or the entity requesting such removal or relocation, shall pay to Company the total cost of removing or relocating such Delivery System facilities in accordance with Chapter 6. Company shall notify Competitive Retailer of all Meter Removals pursuant to this section.

5.7.9 DISMANTLING OF COMPANY'S FACILITIES

Company may, upon discontinuation of Delivery Service to Retail Customer, dismantle and remove all lines, equipment, apparatus, or other facilities, which Company installed to provide Delivery Service to Retail Customer. Company may abandon in place, in whole or in part, its underground lines and equipment in lieu of removing such. Company shall be subject to liability pursuant to Section 5.2 LIMITS ON LIABILITY (which limits any legal liability only as expressly stated therein), for any such abandoned lines or equipment, and may offer Retail Customer the option to terminate applicable easements pursuant to this Tariff. If Company removes outdoor lighting on its own initiative, it shall not charge for removal. A Retail Customer or a Competitive Retailer on behalf of Retail Customer, shall request removal of outdoor lighting facilities at least 30 days prior to the requested removal date. The removal request shall be completed by Company on requested removal date. If mutually agreed to by Company and the Retail Customer, or the Competitive Retailer on behalf of the Retail Customer, Company may begin the removal of outdoor lighting facilities and complete the removal of outdoor lighting facilities on a date or dates other than the initially requested removal date.

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5.8 BILLING AND REMITTANCE

5.8.1 BILLING OF DELIVERY CHARGES

Company shall bill Retail Customer's selected Competitive Retailer for all charges associated with Delivery Services and Discretionary Charges not associated with Construction Services. In no case shall Delivery Service Charges be billed to a Competitive Retailer for a time period when the Competitive Retailer was not the Retail Electric Provider for the Retail Customer.

5.8.2 BILLING TO RETAIL CUSTOMER BY COMPANY

For Construction Services, Company shall bill the entity that requests Construction Services from Company. When Retail Customer requests such services, Company may, pursuant to this Tariff and according to the terms of Facility Extension Agreement, require prepayments, contributions in aid of construction, or lump-sum payments for Construction Services. Upon a showing by Retail Customer of satisfactory credit, Company may extend payment options, such as deferred payment plans or installments of charges associated with Construction Services. Charges billed to Retail Customer pursuant to this section shall remain the responsibility of Retail Customer regardless of any change in Retail Customer's designated Competitive Retailer.

Retail Customers may also be billed by Company for damage caused to Company facilities by Retail Customer, pursuant to Section 5.4.6, RETAIL CUSTOMER'S DUTY REGARDING COMPANY'S FACILITIES ON RETAIL CUSTOMER'S PREMISES, or Section 5.5.4, CHANGE IN RETAIL CUSTOMER'S ELECTRICAL LOAD, or for costs incurred by Company to correct any adverse effects of Retail Customer's Electrical Installation pursuant to Section 5.5.2, INTERMITTENT ELECTRICAL LOADS AND LIMITATIONS ON ADVERSE EFFECTS, or to correct Power Factor problems pursuant to Section 5.5.5, POWER FACTOR.

5.9 DEFAULT AND REMEDIES ON DEFAULT

5.9.1 COMPANY REMEDIES ON DEFAULT BY COMPETITIVE RETAILER

Upon failure of Competitive Retailer to timely abide by the terms of this Tariff, Competitive Retailer may be required to transfer Retail Customer to the POLR or arrange for Retail Customers to be served by another qualified Competitive Retailer or the POLR, as provided in Section 4.6 DEFAULT AND REMEDIES ON DEFAULT.

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5.10 METER

5.10.1 METERING PRACTICES

Unless otherwise agreed to by Company and Retail Customer, Delivery Service is provided through one Point of Delivery, with Retail Customer's service entrance arranged so that Company can measure Retail Customer's Service with one Meter. Additional information, including information concerning non-Company or advanced metering installations, may be found in Chapter 6.

5.10.2 RETAIL CUSTOMER RESPONSIBILITY AND RIGHTS

Each Retail Customer shall use reasonable care not to damage any of Company's Metering Equipment and related appurtenances on Retail Customer's Premises. Meters for residential Retail Customers shall be Company-owned unless otherwise determined by the Commission. Retail Customers required by the Independent Organization to have an IDR Meter may choose a Meter Owner, other than Company, in accordance with Applicable Legal Authorities otherwise, the Meter shall be owned by the Company.

Retail Customer shall own all Meter Data related to the premise occupied by that customer, regardless of whether the Meter Owner is the Retail Customer, the owner of the premise or a third party. Ownership of the Meter Data does not affect Company's obligations under this Tariff or other Applicable Legal Authorities to transmit Meter Data to the Independent Organization or the Retail Customer's Competitive Retailer. To the extent that data integrity is not compromised, the Retail Customer shall have the right to physical access to the Meter to obtain such Meter Data when technically feasible. The Retail Customer shall have the right and capability, including necessary security passwords, to assign access to the Retail Customer's Meter Data related to the premise occupied by that customer. "Physical Access" does not grant a customer the right to access a Meter in any way that may allow the customer the ability, directly or indirectly to alter billing and settlement data or compromise the safety of the Meter. Retail Customer is precluded from accessing any element of the Meter that may permit Retail Customer to alter billing and settlement data or compromise the accuracy or integrity of the Meter Data.

Retail Customer and, to the extent authorized by the Retail Customer, its designated Competitive Retailer shall have access to all of Retail Customer's Meter Data, Retail Customer's historical load

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data, and other proprietary customer data from Company pursuant to Applicable Legal Authorities. If authorized by the Commission, Company may assess a charge for compiling such data pursuant to Section 6.1, RATE SCHEDULES.

5.10.2.1 REQUIREMENTS

Retail Customer shall provide the following, at no cost to Company, at a suitable and easily accessible location:

- (1) Sufficient and proper space for installation of Meter and Metering Equipment;
- (2) Meter socket and Meter enclosure as specified by Company for all self-contained Meters;
- (3) Meter loop; and
- (4) An adequate anchor for Service Drops.

Where the Point of Delivery is inside the building, Customer shall provide the service entrance enclosure and space for Company's instrument transformers, as required. Retail Customer shall install Company-approved Meter socket or Meter enclosure. No Meter or Metering Equipment may be by-passed for any reason without prior approval of Company or as permitted by Applicable Legal Authorities.

5.10.3 METERING OF RETAIL CUSTOMER'S INSTALLATION IN MULTI-METERED BUILDINGS

When Delivery Service is measured through individual Meters for each living unit in multi-family dwellings or each retail space in a multi-tenant building, the property owner of each individually metered living unit or retail space is responsible for proper connection of Retail Customer's Electrical Installation to the Meter socket for Meter, including correct identification and labeling of Meter socket in order to designate living unit or retail space being metered. Company requires property owner, at property owner's expense, to correct any improper connection or identification and, when responsible, reimburse Company for any costs incurred as a result of the improper connection except as otherwise required by Applicable Legal Authorities.

5.10.4 LOCATION OF METER

Consistent with Good Utility Practice, a Meter and its associated equipment shall be installed in a location that facilitates the provision of safe and reliable Delivery Service and accurate

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measurement and that provides a clear working space on all sides. The center of the Meter shall be not less than four feet and not more than six feet above the finished grade. All Meter locations should be as near as possible to the Point of Delivery. Meters for residential Retail Customers are to be located outside the building. Meter location for nonresidential Retail Customers normally will be outside the building. Inside locations may be permitted with Company's approval.

Meters will not be installed as follows:

- (1) In any hazardous location;
- (2) In any place where vibration, moisture, fumes or dust may damage the Meter or interfere with its operation;
- (3) Directly over any stairway, ramp or steps;
- (4) On any portion of a building which at a later date will be enclosed and thereby render the Meter inaccessible;
- (5) In any location accessible only through a hatchway, trapdoor, or by means of a ladder; or
- (6) In or recessed in the external surface of any wall that is within three feet of any property line, or that is over the edge of any walk, alley or driveway which provides access to commercial or industrial property.

5.10.5 NON-COMPANY OWNED METERS

Company shall provide all services associated with the Meter unless otherwise authorized by the Commission in accordance with Applicable Legal Authorities, including but not limited to, ownership, installation, removal, maintenance, testing and calibration, and data collection and management for Company billing and submission to Independent Organization.

Requests for installation and/or removal of a Non-Company Owned Meter shall be made by the Retail Customer's Competitive Retailer in accordance with Applicable Legal Authorities, or by the Retail Customer to the Company directly. All such requests must include at least the following information:

- (1) Retail Customer contact name;
- (2) Retail Customer contact phone number;
- (3) Meter Owner contact name, address and phone number;
- (4) Meter Type and manufacturer;
- (5) Competitive Retailers contact name and phone number;

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- (6) ESI ID if in existence and available;
- (7) Service address and directions to location when appropriate;
- (8) Service requested; and
- (9) Name, address, phone number and e-mail address of any agent designated by Retail Customer to make arrangements with Company for the requested service.

Company shall acknowledge receipt of the request to Retail Customer, Competitive Retailer or Retail Customer's designated agent and will contact the entity designated by the Retail Customer to make proper arrangement to provide the requested service in accordance with Applicable Legal Authorities.

An executed Service Agreement as approved by the Commission is required before installation of a Non-Company Owned Meter. The Service Agreement will include authorization of the Retail Customer's designated Meter Owner and will be in the form specified in Section 6.3, AGREEMENTS AND FORMS. Retail Customer is responsible for ensuring that Company is notified of any changes concerning the Non-Company Owned Meter in accordance with the Service Agreement and Applicable Legal Authorities.

The installation of a Meter that will cause a change of the settlement profile for the ESI ID may occur at any time of the month, however the settlement profile will not change until the beginning of the next scheduled Meter Reading/billing cycle.

Company shall not remove the Non-Company Owned Meter upon de-energization of the Meter unless a specific request for Meter Removal has been made by the Retail Customer, the Retail Customer's Competitive Retailer, the customer's designated agent or the Meter Owner. However, if the Company receives a request to energize a Meter not owned by the Company and there is not an agreement in place with the Meter Owner at the time that energization is requested, the Company may remove the Meter.

Upon removal of a Non-Company Owned Meter, Company shall immediately contact the Retail Customer, Meter Owner, and Competitive Retailer and shall ship the Meter Cash on Delivery (COD) to designated Meter Owner or shall safeguard the Meter until the earlier of (a) the date the Meter Owner takes possession of the Meter, or (b) 60 calendar days from the date of removal of the Meter. If the Meter Owner fails to take possession of the Meter within 60 calendar days or upon

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30 days of the return of a Meter that has been shipped COD, the Company is no longer responsible for safeguarding the Meter and may dispose of it in any manner the Company deems appropriate.

Charges associated with Non-Company Owned Meters will be invoiced directly to the Retail Customer, Competitive Retailer, or the entity requesting the service, pursuant to Chapter 6, including charges for the installation, removal, and storage of a Non-Company Owned Meter and the installation and removal of a Meter owned by the Company.

5.11 RETAIL CUSTOMER INQUIRIES

5.11.1 SERVICE INQUIRIES

Retail Customer may contact Company directly regarding the Delivery Service, for the following situations:

- (1) Inquiries regarding site specific Delivery Services;
- (2) Construction of new lines, installation of a Meter, modification of existing equipment or change in Point of Delivery; or
- (3) Special circumstances such as Delivery Service requirements that are of non-standard size or characteristics.

Retail Customer seeking information about the above items may contact the Company during normal business hours. In the event that Company personnel with the expertise needed to respond to the inquiry are not immediately available at the time of the Retail Customer's call, Company shall ensure that the Retail Customer is contacted within two Business Days.

5.11.2 COMPLAINTS

Retail Customer may submit written complaints about Delivery Service to Company and may call Company to lodge complaints orally. Retail Customer shall contact the person listed under Section 5.1.2, COMPANY CONTACT INFORMATION. Company shall inform Retail Customer of its right to file a complaint with the Commission. Company shall provide contact information for the Commission to the Customer.

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5.11.3 BILLING INQUIRIES

Retail Customer inquiries concerning billing related issues shall be directed to Retail Customer's designated Competitive Retailer. Inquiries related to billing for Construction Services billed directly to Retail Customer should be referred to Company.

5.12 OUTAGE REPORTING

5.12.1 NOTIFICATION OF INTERRUPTIONS, IRREGULARITIES, AND SERVICE REPAIR REQUESTS

Retail Customer should report outages, interruptions, irregularities, or repair requests as directed by its designated Competitive Retailer.

Company shall maintain a toll free number to receive, in either English or Spanish, reports of interruptions, irregularities, or repair requests from a Retail Customer.

If Retail Customer directly contacts Company, Retail Customer must ensure that all necessary information is communicated to Company in a timely manner so as not to unnecessarily delay Company's response. The data necessary includes the following:

- (1) Retail Customer name, and if different, contact name;
- (2) Retail Customer phone number, and if different, contact phone number;
- (3) Service address (including city and zip code) and directions to location;
- (4) ESI ID, if available; and
- (5) Description of problem.

5.12.2 RESPONSE TO REPORTS OF INTERRUPTIONS AND REPAIR REQUESTS

The Company will promptly investigate reported problems. If, upon making a Service Call, Company determines that a reported problem is caused by a condition on Retail Customer's side of the Point of Delivery, Company shall notify Competitive Retailer, and charge Competitive Retailer a fee for the Service Call pursuant to the applicable Service Charges in Chapter 6 of this Tariff.

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6.1 RATE SCHEDULES

6.1.1 DELIVERY SYSTEM CHARGES

6.1.1.1 CHARGES FOR TRANSMISSION AND DISTRIBUTION SYSTEM SERVICE

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6.1.1.1.1 RESIDENTIAL SERVICE

AVAILABILITY

This schedule is applicable to Delivery Service for residential purposes of a permanent nature to individual private dwellings and to individually metered apartments when such Delivery Service is to one Point of Delivery and measured through one Meter and is not for shared or resale purposes.

Residential Service is limited to one Individual Private Dwelling per platted parcel of land or postal delivery address.

If a premise is primarily used for non-residential purposes, Delivery Service will be provided under the Company's appropriate Secondary Service or Primary Service rate schedule.

This schedule is not available for non-residential service, including, but not limited to, water wells, electric gates, barns, garages, boat docks, airplane hangars, or recreational vehicle parks, or for structures on the platted parcel of land requiring a separate Meter.

TYPE OF SERVICE

Delivery Service will be single-phase, 60 hertz, at a standard secondary voltage. Delivery Service will be metered using Company's standard watt-hour Meter provided for this type of Delivery Service. Any other metering option(s) will be provided at an additional charge. Where Delivery Service of the type desired is not available at the Point of Delivery, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to Section 6.1.2.2 of this Tariff.

MONTHLY RATE

I. Transmission and Distribution Charges:

Customer Charge	\$1.52	per ESI ID per month
Metering Charge	\$5.80	per ESI ID per month
Transmission System Charge	\$0.00	per kWh
Distribution System Charge	\$0.048010	per kWh

II. System Benefit Fund Charge: See Rider SBF

III. Transition Charge: Not Applicable

IV. Nuclear Decommissioning Charge: Not Applicable

V. Transmission Cost Recovery Factor: See Rider TCRF

VI. Other Charges or Credits:
See Rider EECRF
See Rider HCRF
See Rider RCE

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See Rider DCRF

COMPANY SPECIFIC APPLICATIONS

Minimum Bill

Includes customer charge and metering charge per ESI ID per month.

Standard Secondary Voltage

Company's standard secondary voltages are described in Section 6.2.2, STANDARD VOLTAGES.

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.1.1.2 SECONDARY SERVICE (LESS THAN OR EQUAL TO 5 KW)

AVAILABILITY

This schedule is applicable to Delivery Service for non-residential purposes at secondary voltage with Demand less than or equal to 5 kW when such Delivery Service is to one Point of Delivery and measured through one Meter and is not for shared or resale purposes.

TYPE OF SERVICE

Delivery Service will be single-phase, 60 hertz, at a standard secondary voltage. Delivery Service will be metered using Company's standard watt-hour Meter provided for this type of Delivery Service. Any other metering option(s) will be provided at an additional charge. Where Delivery Service of the type desired is not available at the Point of Delivery, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to Section 6.1.2.2 of this Tariff.

MONTHLY RATE

I. Transmission and Distribution Charges:

Customer Charge	\$ 1.58	per ESI ID per month
Metering Charge	\$6.31	per ESI ID per month
Transmission System Charge	\$0.00	per kWh
Distribution System Charge	\$0.004400	per kWh

II. System Benefit Fund Charge: See Rider SBF

III. Transition Charge: Not Applicable

IV. Nuclear Decommissioning Charge: Not Applicable

V. Transmission Cost Recovery Factor: See Rider TCRF

VI. Other Charges or Credits::
See Rider CMC
See Rider EECRF
See Rider HCRF
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COMPANY SPECIFIC APPLICATIONS

Minimum Bill

Includes customer charge and metering charge per ESI ID per month.

Standard Secondary Voltage

Company's standard secondary voltages are described in Section 6.2.2, STANDARD VOLTAGES.

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.1.1.3 SECONDARY SERVICE (GREATER THAN 5 KW)

AVAILABILITY

This schedule is applicable to Delivery Service for non-residential purposes at secondary voltage with Demand greater than 5 KW when such Delivery Service is to one Point of Delivery and measured through one Meter.

TYPE OF SERVICE

Delivery Service will be single or three-phase, 60 hertz, at a standard secondary voltage. Delivery Service will be metered using Company's standard Meter provided for this type of Delivery Service. Any Meter other than the standard Meter will be provided at an additional charge. Where Delivery Service of the type desired is not available at the Point of Delivery, additional charges arrangements may be required prior to Delivery Service being furnished, pursuant to Section 6.1.2.2 of this Tariff.

MONTHLY RATE

I. Transmission and Distribution Charges:

Customer Charge	\$2.21	per ESI ID per month
Metering Charge	\$15.05	per ESI ID per month
Transmission System Charge		
See Demand	\$0.00	per NCP kW
Determination	\$0.00	per 4CP kW
Distribution System Charge		
Load Factor <= 25%	\$9.9361	per NCP kW
Load Factor > 25%	\$9.6632	per NCP Billing kW

III. Transition Charge: Not Applicable

IV. Nuclear Decommissioning Charge: Not Applicable

V. Transmission Cost Recovery Factor: See Rider TCRF

VI. Other Charges or Credits:
See Rider CMC
See Rider CTC
See Rider EECRF
See Rider HCRF
See Rider RCE
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COMPANY SPECIFIC APPLICATIONS

Minimum Bill

Includes customer charge and metering charge per ESI ID per month.

Standard Secondary Voltage

Company's standard secondary voltages are described in Section 6.2.2, STANDARD VOLTAGES.

Power Factor (PF)

For average lagging Power Factors of less than 95% the measured Demand will be increased according to the following formula:

$$\frac{kW \times .95}{PF}$$

The average lagging power factor is determined using monthly metered kWh and kVARh data. The following formula is used to calculate the average lagging power factor for the billing month:

$$PF = \frac{kWh}{(kWh^2 + kVARh^2)^{1/2}}$$

DETERMINATION OF BILLING DEMAND FOR TRANSMISSION SYSTEM CHARGES

Determination of Billing under NCP kW or 4CP kW

Any Premises that has established an NCP kW of at least 700 kW in any previous billing month, or Retail Customers billed on 4CP kW prior to the effective date of this tariff, shall be billed on their 4CP kW pursuant to the Determination of 4CP kW provision shown below.

Determination of NCP kW

The NCP kW applicable under the Monthly Rate section shall be the kW supplied during the 15 minutes period of maximum use during the billing month.

Determination of 4 CP kW

The 4 CP kW applicable under the Monthly Rate section shall be the average of the Retail Customer's integrated 15 minute demands at the time of the monthly ERCOT system 15 minutes peak demand for the months of June, July, August and September of the previous calendar year. The Retail Customer's average 4CP demand will be updated effective on January 1 of each calendar year and remain fixed throughout the calendar year. Retail Customers without previous history on which to determine their 4 CP kW will be billed at the applicable NCP rate under the "Transmission System Charge" using the Retail Customer's NCP kW.

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DETERMINATION OF BILLING DEMAND FOR DISTRIBUTION SYSTEM CHARGES

Determination of Billing kW

Determination of Annual Load Factor

The Annual Load Factor for each premise shall be calculated using the previous year's usage for that premise ending with the December Bill Cycle. The Annual Load Factor shall apply for the following 12 billing months.

The Annual Load Factor calculation is as follows:

$$\frac{\text{kWh Used in 12 Billing Months Ending December}}{\text{Maximum NCP kW for the 12 Billing Months Ending December} * \text{Days in Billing Periods} * 24}$$

For premises with less than 12 months usage history, the available billing history shall be used for determining the Annual Load Factor. However, if less than 90 days of billing history is available, the premise shall be assumed to have an Annual Load Factor greater than 25%.

The Billing kW applicable to the "Distribution System Charge" shall be the higher of the NCP kW for the current billing month or 80% of the highest monthly NCP kW established in the 11 months preceding the current billing month (80% ratchet). The 80% ratchet shall not apply to Retail Seasonal Agricultural or Municipal Pumping Customers, customers whose annual calculated load factor is less than or equal to 25%, or customers whose peak demand in the most current 12-month period is equal to or less than 20 kW.

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.1.1.4 PRIMARY SERVICE

AVAILABILITY

This schedule is applicable to Delivery Service for non-residential purposes at primary voltage when such Delivery Service is to one Point of Delivery and measured through one Meter.

TYPE OF SERVICE

Delivery Service will be single or three-phase, 60 hertz, at a standard primary voltage. Delivery Service will be metered using Company's standard Meter provided for this type of Delivery Service. Any Meter other than the standard Meter will be provided at an additional charge. Where Delivery Service of the type desired is not available at the Point of Delivery, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to Section 6.1.2.2 of this Tariff.

MONTHLY RATE

I. Transmission and Distribution Charges:

Customer Charge	\$17.28	per ESI ID per month
Metering Charge	\$22.24	per meter per month
Transmission System Charge		
See Demand	\$0.00	per NCP kW
Determination	\$0.00	per 4CP kW
Distribution System Charge	\$7.8299	per NCP Billing kW

II. System Benefit Fund Charge: See Rider SBF

III. Transition Charge: Not Applicable

IV. Nuclear Decommissioning Charge: Not Applicable

V. Transmission Cost Recovery Factor: See Rider TCRF

VI. Other Charges or Credits:
See Rider CMC
See Rider EECRF
See Rider HCRF
See Rider RCE
See Rider DCRF

COMPANY SPECIFIC APPLICATIONS

Minimum Bill

Includes customer charge and metering charge per ESI ID per month.

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Standard Primary Voltage

Company's standard primary voltages are described in Section 6.2.2, STANDARD VOLTAGES.

Distribution Voltage Power Factor (PF) Adjustment

For average lagging Power Factors of less than 95% the measured Demand will be increased according to the following formula:

$$\frac{\text{kW} \times .95}{\text{PF}}$$

The average lagging power factor is determined using monthly metered kWh and kVARh data. The following formula is used to calculate the average lagging power factor for the billing month:

$$\text{PF} = \frac{\text{kWh}}{(\text{kWh}^2 + \text{kVARh}^2)^{1/2}}$$

DETERMINATION OF BILLING DEMAND FOR TRANSMISSION SYSTEM CHARGES

Any Premises that has established an NCP kW of at least 700 kW in any previous billing month, or Retail Customers billed on 4CP kW prior to the effective date of this tariff, shall be billed on their 4CP kW pursuant to the Determination of 4CP kW provision shown below.

Determination of NCP kW

The NCP kW applicable under the Monthly Rate section shall be the kW supplied during the 15-minute period of maximum use during the billing month.

Determination of 4 CP kW

The 4 CP kW applicable under the Monthly Rate section shall be the average of the Retail Customer's integrated 15 minute demands at the time of the monthly ERCOT system 15 minutes peak demand for the months of June, July, August and September of the previous calendar year. The Retail Customer's average 4CP demand will be updated effective on January 1 of each calendar year and remain fixed throughout the calendar year. Retail Customers without previous history on which to determine their 4 CP kW will be billed at the applicable NCP rate under the "Transmission System Charge" using the Retail Customer's NCP kW.

DETERMINATION OF BILLING DEMAND FOR DISTRIBUTION SYSTEM CHARGES

Determination of Billing kW

The Billing kW applicable to the "Distribution System Charge" shall be the higher of the NCP kW for the current billing month or 80% of the highest monthly NCP kW established in the 11 months preceding the current billing month (80% ratchet). The 80% ratchet shall not apply to Retail Seasonal Agricultural Customers or Municipal Pumping Customers, or customers whose peak

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demand in the most current 12-month period is equal to or less than 20 kW.

NOTICE

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6.1.1.1.5 PRIMARY SERVICE - SUBSTATION

AVAILABILITY

This schedule is applicable to Delivery Service taken directly from a Company-owned substation for nonresidential purposes at primary voltage when such Delivery Service is to one Point of Delivery, measured through one Meter, and is no more than one span from the Company-owned substation.

TYPE OF SERVICE

Delivery Service will be single or three-phase, 60 hertz, at a standard primary voltage. Delivery Service will be metered using Company's standard Meter provided for this type of Delivery Service. Any Meter other than the standard Meter will be provided at an additional charge. Where Delivery Service of the type desired is not available at the Point of Delivery, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to Section 6.1.2.2 of this Tariff.

MONTHLY RATE

I. Transmission and Distribution Charges:

Customer Charge	\$51.00	per ESI ID per month
Metering Charge	\$37.23	per meter per month
Transmission System Charge		
See Demand	\$0.00	per NCP kW
Determination	\$0.00	per 4CP kW
Distribution System Charge	\$0.9169	per NCP Billing kW

II. System Benefit Fund Charge:

See Rider SBF

III. Transition Charge:

Not Applicable

IV. Nuclear Decommissioning Charge:

Not Applicable

V. Transmission Cost Recovery Factor:

See Rider TCRF

VI. Other Charges or Credits:

See Rider CMC
See Rider EECRF
See Rider HCRF
See Rider RCE
See Rider DCRF

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COMPANY SPECIFIC APPLICATIONS

Minimum Bill

Includes customer charge and metering charge per ESI ID per month.

Standard Primary Voltage

Company's standard primary voltages are described in Section 6.2.2, STANDARD VOLTAGES.

Distribution Voltage Power Factor (PF) Adjustment

For average lagging Power Factors of less than 95% the measured Demand will be increased according to the following formula:

$$\frac{\text{kW} \times .95}{\text{PF}}$$

PF

The average lagging power factor is determined using monthly metered kWh and kVARh data. The following formula is used to calculate the average lagging power factor for the billing month:

$$\text{PF} = \frac{\text{kWh}}{(\text{kWh}^2 + \text{kVARh}^2)^{1/2}}$$

DETERMINATION OF BILLING DEMAND FOR TRANSMISSION SYSTEM CHARGES

Any Premises that has established an NCP kW of at least 700 kW in any previous billing month, or Retail Customers billed on 4CP kW prior to the effective date of this tariff, shall be billed on their 4CP kW pursuant to the Determination of 4CP kW provision shown below.

Determination of NCP kW

The NCP kW applicable under the Monthly Rate section shall be the kW supplied during the 15-minute period of maximum use during the billing month.

Determination of 4 CP kW

The 4 CP kW applicable under the Monthly Rate section shall be the average of the Retail Customer's integrated 15 minute demands at the time of the monthly ERCOT system 15 minutes peak demand for the months of June, July, August and September of the previous calendar year. The Retail Customer's average 4CP demand will be updated effective on January 1 of each calendar year and remain fixed throughout the calendar year. Retail Customers without previous history on which to determine their 4 CP kW will be billed at the applicable NCP rate under the "Transmission System Charge" using the Retail Customer's NCP kW.

DETERMINATION OF BILLING DEMAND FOR DISTRIBUTION SYSTEM CHARGES

Determination of Billing kW

The Billing kW applicable to the "Distribution System Charge" shall be the higher of the NCP kW for the current billing month or 80% of the highest monthly NCP kW established in the 11 months

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preceding the current billing month (80% ratchet). The 80% ratchet shall not apply to Retail Seasonal Agricultural Customers or Municipal Pumping Customers, or customers whose peak demand in the most current 12-month period is equal to or less than 20 kW.

NOTICE

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6.1.1.1.6 TRANSMISSION SERVICE

AVAILABILITY

This schedule is applicable to Delivery Service for non-residential purposes at transmission voltage when such Delivery Service is to one Point of Delivery and measured through one Meter.

TYPE OF SERVICE

Delivery Service will be three-phase, 60 hertz, at a standard transmission voltage. Delivery Service will be metered using Company's standard Meter provided for this type of Delivery Service. Any Meter other than the standard Meter will be provided at an additional charge. Where Delivery Service of the type desired is not available at the Point of Delivery, additional charges and special contract arrangements may be required prior to Delivery Service being furnished, pursuant to Section 6.1.2.2 of this Tariff.

MONTHLY RATE

I. Transmission and Distribution Charges:

Customer Charge	\$81.70	Per ESI ID per month
Metering Charge	\$2,233.70	Per Meter per month
Transmission System Charge	\$0.00	Per 4CP kVA
Distribution System Charge	\$0.01	Per NCP kW

II. System Benefit Fund Charge:

See Rider SBF

III. Transition Charge:

Not Applicable

IV. Nuclear Decommissioning Charge:

Not Applicable

V. Transmission Cost Recovery Factor:

See Rider TCRF

VIII. Other Charges and Credits:

See Rider CMC
See Rider CTC
See Rider HCRF
See Rider RCE
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COMPANY SPECIFIC APPLICATIONS

Minimum Bill

Includes customer charge and metering charge per ESI ID per month

Municipal Franchise Fees

When service falls within the incorporated limits of a municipality that assesses a franchise fee on transmission customers, such municipal franchise fees shall be added to and separately stated on the bill of each customer taking service within the incorporated limits of the municipality and shall be at the rate of \$0.00175000/kWh. Transmission customers taking service outside the incorporated limits of a municipality shall not be subject to this fee.

Standard Transmission Voltage

Transmission voltage is defined as voltage of 69 kV or higher. Company's standard transmission voltages are described in Section 6.2.2, STANDARD VOLTAGES.

DETERMINATION OF BILLING DEMAND FOR TRANSMISSION SYSTEM CHARGES AND DISTRIBUTION SYSTEM CHARGES

Determination Of 4 CP kVA

The 4 CP kVA applicable under the Monthly Rate section shall be the average of the Retail Customer's integrated 15 minute demands at the time of the monthly ERCOT system 15-minute peak demand for the months of June, July, August and September of the previous calendar year. Retail Customers without previous history on which to determine their 4 CP kVA will be billed based on estimated 4 CP kVA, in accordance with the following procedures:

- (a) Retail Customers having IDR data for fewer than 4 CP kVA, but at least 2 CP kVA, will be billed based on the average of the actual CP kVA, so long as the CP kVA are representative of the Retail Customer's expected load, as derived from engineering estimates. If the CP kVA are not representative of the expected load, the estimated 4 CP kVA will be set based on mutual agreement between the Retail Customer and the Company.
- (b) Retail Customers that do not have at least 2 CP kVA will be billed by estimating the Retail Customer's 4 CP kVA demand by applying a class coincidence factor to the Retail Customer's NCP kVA, using the formula:

Estimated 4 CP kVA = (NCP kVA * TCCF) where:

NCP kVA is the highest 15-minute integrated demand of an individual Retail Customer served at transmission voltage during the month; and TCCF is the transmission class coincidence factor for the months June, July, August, and September calculated from the Company's most recent UCOS proceeding using the following formula:

$$TCCF = \frac{\sum \text{Class CP kVA for June, July, August, September}}{\sum \text{Class NCP kVA for June, July, August, September}}$$

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Where:

Class CP kVA is the transmission voltage rate class' 15-minute demand at the time of the ERCOT CP and Class NCP kVA is the transmission voltage class' maximum 15-minute demand during a month.

Distribution Voltage Power Factor (PF) Adjustment

For average lagging Power Factors of less than 95% the measured Demand will be increased according to the following formula:

$$\frac{\text{kW} \times .95}{\text{PF}}$$

PF

The average lagging power factor is determined using monthly metered kWh and kVARh data. The following formula is used to calculate the average lagging power factor for the billing month:

$$\text{PF} = \frac{\text{kWh}}{(\text{kWh}^2 + \text{kVARh}^2)^{1/2}}$$

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.1.1.7 LIGHTING SERVICE

ROADWAY LIGHTING SERVICE

AVAILABILITY

The service provided pursuant to this Tariff is for any end-use customer for roadway lighting service where existing facilities have adequate capacity and suitable voltage.

TYPE OF SERVICE

Unmetered, automatically controlled, overhead lighting service operating from dusk to dawn. The Company will install, operate and maintain such lighting. Lights will be mounted on an existing service pole or poles and such service will be limited to 120 volt service.

MONTHLY RATE

I. Transmission and Distribution Charges:

OVERHEAD SERVICE

Schedule I –Wood Pole (per lamp charge)

	<u>Distribution Facilities Charge</u>	
8150 lumen – 175 watt MV	\$6.34	Closed
21500 lumen – 400 watt MV	\$11.91	Closed
9500 lumen – 100 watt HPS	\$8.13	
16000 lumen – 150 watt HPS	\$9.43	Closed
22000 lumen – 200 watt HPS	\$10.09	
27500 lumen – 250 watt HPS	\$11.04	Closed
50000 lumen – 400 watt HPS	\$12.25	Closed

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Schedule II –Ornamental Pole (per lamp charge)

	<u>Distribution Facilities Charge</u>		
	<u>1 Lamp Per Pole</u>	<u>2 Lamps Per Pole</u>	
8150 lumen – 175 watt MV	\$12.32	-	Closed
21500 lumen – 400 watt MV	\$15.75	\$13.20	Closed
9500 lumen – 100 watt HPS	\$12.03	-	
16000 lumen – 150 watt HPS	\$15.30	-	Closed
22000 lumen – 200 watt HPS	\$16.29	\$11.62	
27500 lumen – 250 watt HPS	\$18.35	\$13.44	Closed
50000 lumen – 400 watt HPS	\$23.55	\$23.55	Closed

UNDERGROUND SERVICE

Schedule III –Wood Pole (per lamp charge)

	<u>Distribution Facilities Charge</u>	
8150 lumen – 175 watt MV	\$7.16	Closed
21500 lumen – 400 watt MV	\$14.77	Closed
9500 lumen – 100 watt HPS	\$9.12	
22000 lumen – 200 watt HPS	\$11.09	

Schedule IV –Ornamental Pole (per lamp charge)

	<u>Distribution Facilities Charge</u>		
	<u>One Lamp Per Pole</u>	<u>Two Lamps Per Pole</u>	
8150 lumen – 175 watt MV	\$13.13	-	Closed
21500 lumen – 400 watt MV	-	\$13.22	Closed
9500 lumen – 100 watt HPS	\$13.16	\$10.18	
22000 lumen – 200 watt HPS	\$17.60	\$13.14	

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PUBLIC HIGHWAY LIGHTING SERVICE

Schedule V – LED Street Lighting

Wattage	kWh	Cobra	Cobra Head		Double Cobra		Historical Post-Top		Customer- Owned
		Wood	Ornamental	U/G	Ornamental	U/G	Fiberglass	Steel/Conc.	
Range		O/H (A)	O/H (B)	U/G (C)	O/H (D)	U/G (E)	Fiberglass (F)	Steel/Conc. (G)	(H)
20-60	15	\$16.18	\$30.71	\$35.37	\$40.20	\$44.79	\$21.58	\$41.38	\$0.82
61-100	28								\$1.53
101-130	42	\$20.27	\$27.56	\$39.45	\$46.61	\$40.55			\$2.29
131-165	50								\$2.73
166-200	62								\$3.38
201-300	83	\$34.48	\$41.85	\$46.51	\$58.13	\$62.73			\$4.52

50000 lumen – 400 watt HPS

\$12.17 Closed

METERED LIGHTING SERVICE

Schedule VI – (Restricted Use)

	Distribution
	<u>Facilities Charge</u>
Metered Series Service	\$0.04985 per kWh
Other Metered Service	\$0.04985 per kWh
Public Facilities Metered Service	\$0.04985 per kWh

- II. **System Benefit Fund Charge:** See Rider SBF
- III. **Transition Charge:** Not Applicable
- IV. **Nuclear Decommissioning Charge:** Not Applicable
- V. **Transmission Cost Recovery Factor:** See Rider TCRF
- VIII. **Other Charges and Credits:** See Rider CMC
See Rider EECRF
See Rider HCRF
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See Rider DCRF

COMPANY SPECIFIC APPLICATIONS

Minimum Bill

A minimum bill shall be charged based upon the monthly per lamp charge.

Service Schedules

Schedule I Company installed, owned, operated, and maintained overhead wired roadway lights mounted on wood poles on public roadways at the request of a governmental subdivision.

Schedule II Company owned, operated and maintained multiple overhead wired roadway lighting system mounted on ornamental poles on public roadways at the request of a governmental subdivision.

Schedule III Company installed, owned, operated, and maintained underground wired roadway lighting system mounted on wood poles on public roadways at the request of a governmental subdivision where the Company has paid the installed cost of such system.

Schedule IV Company installed, owned, operated, and maintained underground wired roadway lighting system mounted on ornamental poles on public roadways at the request of a governmental subdivision where the Company has paid the installed cost of such system.

Schedule V LED roadway lights mounted on wood, ornamental (steel or concrete) or historical (fiberglass, steel or concrete) poles on public roadways at the request of a governmental subdivision.

- A. Company installed, owned, operated and maintained cobra head LED street light mounted on a 35' wood pole with a cobra head arm, served overhead.
- B. Company installed, owned, operated and maintained cobra head LED street light mounted on a 35' ornamental (steel or concrete) pole with a cobra head arm, served overhead.
- C. Same as (B), served underground.
- D. Two Company installed, owned, operated and maintained cobra head LED street lights mounted on a 35' ornamental (steel or concrete) pole with 2 cobra head arms, served overhead.
- E. Same as (D), served underground.
- F. Company installed, owned, operated and maintained historical post-top LED street light mounted on a fiberglass historical pole, served underground.
- G. Same as (F), mounted on a steel or concrete historical pole.

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- H. Customer installed, owned, operated and maintained LED street lights, or where a governmental subdivision has installed and owns the system for use by the customer, and Company supplies distribution delivery service for the operation of the street lights. Company makes all connections and disconnections to its distribution system. An Agreement for Street Lighting Service is required for service under this Schedule V (H).

Schedule VI

- A. Metered Series Service is limited to existing roadway lighting systems being maintained by the Company prior to September 1999. These systems will be replaced as soon as feasibly possible, with service to be provided under one of the previous schedules of roadway lighting service.
- B. Other Metered Service will be used as the basis for determining the appropriate monthly per lamp charge for such facilities where Company supplies service to customer for operation of lighting system, which is customer installed, owned, operated, and maintained, or where a governmental subdivision has installed and owns the system for use by customer. Company will provide normal lamp replacements in accordance with the contract. Service under this sub-schedule will apply to developing the monthly rate for all roadway traffic signals owned and maintained by a governmental unit.
- C. Public Facilities Metered Service is to serve lighting facilities for public use that are not located on roadways, and where the lighting is separately metered.

Replacement of Lamps and Glassware

Company will install, own, operate and maintain all street lights including normal replacement of lamps and glassware at no cost to customer under Schedule I, II, III, and IV above. Company reserves the right to charge customer for replacement of lamps and glassware any time more than two calls per year become necessary due to vandalism or other causes over and above regular maintenance in accordance with the terms set out on TNMP's Miscellaneous Charges tariff, Security Light Repair Charge.

Lamp Burning Hours

The Company will cause the street lights operated by it to be lighted at nightfall and to remain lighted until dawn. End-use customer will so control the street lighting operated by it so that the total burning hours will not exceed 4,000 hours in each year.

Lumens

Lumens as used will be the nominal rating of approximate initial lumens rated by manufacturer.

Facilities Charge Calculation

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The monthly kWh used by the lamps in the operation of street lighting system will be estimated as follows:

$$\frac{\text{Total watts connected including ballast} \times 333 \text{ hours}}{1,000} = \text{kWh}$$

Type of Lamps and Ornamental Poles

All street lamps, glassware and ornamental poles shall be of a type normally used by Company and in accordance with standards established by Company.

Special Facilities

If the end-user requires special facilities to be installed or replaced, including ornamental standards or fixtures which are not in accordance with Company standards, the end-use customer will make a non-refundable contribution equal to the difference in the cost of such facilities and the installed cost of standard facilities; for other special facilities, end-use customer will make a non-refundable contribution equal to installed cost.

Conversion or Replacement of Facilities

The Company will convert or replace existing Company-owned functioning street lights to a different size or type of Company-owned street light upon request and payment by customer of \$104 for each street light to cover the cost of removal and the average undepreciated cost of the existing street light. Customer will pay the current rate for the replacement street light.

The Company will limit the conversion of functioning mercury vapor and high pressure sodium street lights to any LED street light option to a maximum of 1,000 street lights per year.

Replacement of Damaged or Failed Facilities

If a Company-owned street light is damaged or fails, or if replacement lamps are no longer available, the Company will replace the street light with the closest available equivalent high pressure sodium or LED street light. Customer will pay the current rate for the replacement street light.

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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NON-ROADWAY OUTDOOR LIGHTING SERVICE (CLOSED)

AVAILABILITY

The service provided pursuant to this Tariff is for any end-use customer for non-roadway outdoor lighting service where existing facilities have adequate capacity and suitable voltage. Lighting service under this schedule applies to non-roadway lighting facilities requested by the Retail Energy Provider (REP) on behalf of a customer connected to Company's distribution system.

TYPE OF SERVICE _Unmetered, automatically controlled, overhead lighting service operating from dusk to dawn. The Company will operate and maintain such lighting. Lights will be mounted on an existing service pole or poles and such service will be limited to 120 volt service.

Pricing under this Tariff will cover costs to serve these facilities includes the amounts included in FERC Accounts 371 and 371.1, which were previously collected under Rider CES-Competitive Energy Services.

MONTHLY RATE

I. Transmission and Distribution Charges:

	<u>Charge per Lamp</u>
175 w MV Lamp-Nite Lite	\$10.44
400 w MV Lamp-Nite Lite	\$11.88
100 w HPS Lamp-Nite Lite	\$10.16
200 w HPS Lamp-Nite Lite	\$15.83
400 w MV Lamp-Flood Light	\$16.87
1000 w MV Lamp-Flood Light	\$29.85
400 w HA Lamp-Flood Light	\$17.02
1000 w HA Lamp-Flood Light	\$30.65
250 w HPS Lamp-Flood Light	\$17.03
400 w HPS Lamp-Flood Light	\$19.57
48 w LED – Nite Lite	\$12.36
125 w LED – Flood Light	\$21.36
250 w LED – Flood Light	\$29.40

MV = Mercury Vapor, HPS = High Pressure Sodium, HA = Metal Halide

- II. System Benefit Fund Charge:** See Rider SBF
- III. Transition Charge:** Not Applicable
- IV. Nuclear Decommissioning Charge:** Not Applicable

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V. Transmission Cost Recovery Factor:	See Rider TCRF
VI. Other Charges or Credits:	See Rider EECRF
Non-Roadway Lighting Facilities Cost	See Rider HCRF See Rider RCE See Rider DCRF

COMPANY SPECIFIC APPLICATIONS

Replacement of Lamps and Glassware

Company will install, operate and maintain all non-roadway lights including normal replacement of lamps and glassware at no cost to customer. Company reserves the right to charge customer for replacement of lamps and glassware any time more than two calls per year become necessary due to vandalism or other causes over and above regular maintenance in accordance with the terms set out on TNMP's Miscellaneous Charges tariff, Security Light Repair Charge.

Lamp Burning Hours

The Company will cause the non-roadway lights operated by it to be lighted at nightfall and to remain lighted until dawn. End-use customer will so control the street lighting operated by it so that the total burning hours will not exceed 4,000 hours in each year.

Type of Lamps and Ornamental Poles

All street lamps, glassware and ornamental poles shall be of the type normally used by the Company and in accordance with standards established by the Company.

Special Facilities

If the end-user requires special facilities to be installed or replaced, including ornamental standards or fixtures which are not in accordance with Company standards, the end-use customer will make a non-refundable contribution equal to the difference in the cost of such facilities and the installed cost of standard facilities; for other special facilities, end-use customer will make a non-refundable contribution equal to installed cost.

Additional Pole Charge

In the event an End-use customer desires a light to be installed on a pole which will require the Company to install an additional pole or poles, End-use customer will be charged \$2.38 per month per pole.

Replacement of Damaged or Failed Facilities

If a Company-owned non-roadway light is damaged or fails, or if replacement lamps are no longer available, the Company will replace the non-roadway light with the closest available equivalent high

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pressure sodium or LED non-roadway light. Customer will pay the current rate for the replacement non-roadway light.

NOTICE

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6.1.1.2 SCHEDULE TC

Not Applicable

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6.1.1.3 CTC

Not Applicable

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6.1.1.4 CHARGES FOR SBF

Not Applicable

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6.1.1.5 CHARGES FOR NUCLEAR DECOMMISSIONING

Not Applicable

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6.1.1.6 OTHER CHARGES

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6.1.1.6.1 RIDER TCRF – TRANSMISSION COST RECOVERY FACTOR

AVAILABILITY

This rider is applicable to Delivery Service provided under Section 6.1.1.1.1 Residential Service, Section 6.1.1.1.2 Secondary Service (Less Than or Equal to 5 kW), Section 6.1.1.1.3 Secondary Service (Greater Than 5 kW), Section 6.1.1.1.4 Primary Service, Section 6.1.1.1.5 Primary Substation Service, and Section 6.1.1.1.6 Transmission Service in the Company’s Tariff for Retail Delivery Service.

MONTHLY RATE

The Competitive Retailer, on behalf of the Retail Customer, will be assessed this transmission service charge adjustment based on the monthly per unit cost (TCRF) multiplied times the Retail Customer's appropriate monthly billing determinant (kWh, 4 CP kW, 4 CP kVA, or NCP kW). The TCRF shall be calculated for each rate according to the following formula:

$$TCRF = \frac{\left\{ \sum_{i=1}^N (NWTR_i * NL_i) - \sum_{i=1}^N (BWTR_i * NL_i) \right\} * 1/2 * ALLOC}{BD} + ADJ$$

Where:

- TCRF = Transmission Cost Recovery Factor in dollars per kWh, dollars per 4 CP kW or dollars per NCP kW to be used for billing for each listed rate schedule. The rate schedules are listed under "ALLOC" below.
- NWTR = The new wholesale transmission rate of a TSP, approved by the Commission by order or pursuant to Commission rules, since the Company's last rate case.
- BWTR = The base wholesale transmission rate of the TSP represented in the NWTR; used to develop the retail transmission charges of the Company, in the Company's last rate case.
- NL = The Company's individual 4CP load component of the total ERCOT 4CP load used to develop the NWTR;
- ALLOC = The class allocator approved by the Commission to allocate the transmission revenue requirement among classes in the Company's last rate case, unless otherwise ordered by the Commission.

The Allocation Factor for each listed rate schedule is as follows:

Residential	37.81%
Secondary < 5kW	0.30%
Secondary > 5kW	18.11%
Secondary > 5kW IDR	2.77%
Primary	3.94%
Primary IDR/ Primary Substation	7.83%
Transmission	29.24%
Lighting	0.00000%

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Where:

$$ADJ = \sum_{p=1}^6 \{EXP_p - (REV_p - ADJP1_p - ADJP2_p)\}$$

ADJ = Adjustment to Rate Class TCRF to include prior periods' over/(under) recovery.

EXP_p = Transmission expense not included in base rates for period p.

REV_p = TCRF revenue for period p.

(REV_p - ADJP1_p - ADJP2_p) = TCRF Revenue for period p excluding prior period adjustments included in period p.

ADJP1_p = one-sixth of ADJ calculated in the previous TCRF update for the periods 5 and 6.

ADJP2_p = one-sixth of ADJ calculated in the second previous TCRF update for the periods 1- 4.

BD = Each class's billing determinant (kWh, 4CP kW, 4CP kVA, or NCP kW) for the previous March 1 through August 31 period for the March 1 TCRF update, and for the previous September 1 through February 28 period for the September 1 TCRF update.

MONTHLY RATE

Residential Service	\$0.020229	Per kWh
Secondary Service (Less Than or Equal to 5KW)	\$0.010692	Per kWh
Secondary Service (Greater Than 5 KW)		
Non IDR Metered	\$4.400434	Per NCP kW
IDR Metered	\$3.937582	Per NCP kW
Primary Service		
Non IDR Metered	\$3.124152	Per NCP kW
IDR Metered and Substation	\$2.979385	Per NCP kW
Transmission Service	\$2.615244	Per NCP kW

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Historical TCRF Rates – Transmission Cost Recovery Factor

Effective Date	Docket No.	Residential Service (Per kWh)	Secondary Service		Primary Service		Transmission Service (Per 4CP kVa)	
			Less than or equal to 5KW (Per kWh)	Greater than 5KW		Non IDR (Per NCP kW)		IDR (Per 4CP kW)
				Non IDR (Per NCP kW)	IDR (Per 4CP kW)			
Sept 1, 2025	58161	\$0.027703	\$0.008822	\$5.600344	\$7.109469	\$2.657986	\$3.600749	\$5.156858
March 1, 2025	57366	0.017174	0.007015	4.744643	6.171382	3.973885	4.801410	4.882564
Sept 1, 2024	56677	0.024358	0.006780	5.193432	6.643413	3.108764	4.542054	4.370440
March 1, 2024	55931	0.014423	0.006230	4.273440	6.202006	1.546191	4.102692	3.286785
Sept 1, 2023	55054	0.024281	0.006402	4.500903	6.433548	0.392672	4.115376	3.610782
March 1, 2023	54390	0.011970	0.004435	4.237279	5.893659	(0.877320)	3.437775	4.671096
Sept 1, 2022	53664	0.021069	0.003253	4.198257	5.711426	3.165020	5.342420	4.708496
March 1, 2022	52903	0.015010	0.005051	3.664854	5.922329	3.002253	6.941823	4.904079
Sept 1, 2021	52167	0.019469	0.007928	4.031750	5.710556	3.119893	5.450508	4.128652
March 1, 2021	51559	0.010494	0.005693	3.384515	4.520693	3.549011	5.540750	3.896261
Sept 1, 2020	50891	0.018906	0.007461	3.447410	5.05017	2.769286	5.718779	3.994636
March 1, 2020	50290	0.012092	0.008910	3.492392	5.113233	1.775547	3.487485	3.656955
Sept 1, 2019	49585	0.019187	0.012479	3.701906	5.434781	1.928618	3.121606	3.779778
March 1, 2019	48932	0.009865	0.010366	2.922920	5.039660	2.275371	3.305999	3.735940
Jan 1, 2019	48401	0.013637	0.006901	3.202496	4.035392	2.890098	3.690067	3.910864
Sept 1, 2018	48403	0.016176	0.037342	3.131934	4.387311	1.096932	3.067161	2.892780
March 1, 2018	47802	0.011994	0.035477	3.145401	4.698441	0.870653	3.787401	2.848292
Sept 1, 2017	47237	0.018377	0.025681	3.374310	5.228823	1.264459	3.824525	2.984035
March 1, 2017	46611	0.011595	0.020753	3.161396	5.140179	1.791259	3.786882	3.348900
Sept 1, 2016	46005	0.018833	0.021053	3.407343	5.105822	2.131948	3.126463	3.428981
March 1, 2016	45401	0.010354	0.016166	2.907345	5.034574	1.862547	2.883894	3.206852
Sept 1, 2015	44781	0.015926	0.016141	2.971948	4.704875	1.064360	4.955052	3.339257
March 1, 2015	43854	0.011281	0.014285	2.733961	4.170359	1.072197	4.795910	3.214471
Sept 1, 2014	42564	0.013598	0.013736	2.833359	4.319106	1.406541	4.385914	3.027802
March 1, 2014	42048	0.011394	0.014384	2.859274	4.436968	1.289155	4.482955	2.898749
Sept 1, 2013	41537	0.013803	0.012582	2.487710	3.661189	1.023981	3.232049	2.360930
March 1, 2013	41007	0.007453	0.008674	1.984808	3.197329	1.158200	2.790047	1.952285
Sept 1, 2012	40454	0.010721	0.010112	1.973995	2.656781	1.617686	2.591929	1.702469
March 1, 2012	39954	0.005811	0.008643	1.695120	2.452781	2.484172	2.801710	2.049355
Sept 1, 2011	39457	0.009362	0.006571	1.861106	2.500493	2.208479	2.859706	2.274802
March 1, 2011	38937	0.006900	0.004596	1.646507	2.229603	2.242297	2.437473	2.247596

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Determination of Billing under NCP kW or 4CP kW

Any Premises that has established an NCP kW of at least 700 kW in any previous billing month, or Retail Customers billed on 4CP kW prior to the effective date of this tariff, shall be billed under the IDR rate for their class, based on their 4CP kW pursuant to the Determination of 4CP kW provision in the applicable rate schedule.

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.1.6.2 RIDER EECRF– ENERGY EFFICIENCY COST RECOVERY FACTOR

APPLICATION

Applicable, pursuant to PURA § 39.905(b)(4) and Substantive Rule § 25.181(f), to all customer classes that receive services under the Company’s energy efficiency programs.

METHOD OF CALCULATION

An Energy Efficiency Cost Recovery Factor (EECRF) shall be calculated annually and shall equal by rate class the sum of: forecasted energy efficiency costs, any adjustment for past over-recovery or under-recovery of EECRF costs, an energy efficiency performance bonus, any previous year’s EECRF proceeding rate case expenses, and any allocated Evaluation, Measurement & Verification (EM&V) costs; divided by the forecasted billing units for each class.

Energy Efficiency Cost Recovery Factor (EECRF)

(Effective Date)	Residential Service (Per kWh)	Secondary Service < 5kW (Per kWh)	Secondary Service > 5kW (Per kWh)	Primary (Per kWh)	Lighting (Per kWh)
March 1, 2025	\$0.001273	\$(0.001871)	\$0.000961	\$0.000224	\$(0.000007)
March 1, 2024	\$0.001170	\$(0.002289)	\$0.000933	\$0.000617	\$0.000004
March 1, 2023	\$0.001394	\$(0.001459)	\$0.001216	\$0.000331	\$(0.000003)
March 1, 2022	\$0.001355	\$0.0145080	\$0.000935	\$0.000145	\$0.000032
March 1, 2021	\$0.001224	\$0.0031140	\$0.000832	\$0.000080	\$0.000015
March 1, 2020	\$0.001172	\$0.0016760	\$0.000806	\$0.000160	\$0.000041
March 1, 2019	\$0.001221	\$(0.004307)	\$0.000852	\$0.000012	\$(0.000137)
March 1, 2018	\$0.001268	\$(0.003898)	\$0.001063	\$(0.00003)	\$(0.000165)
March 1, 2017	\$0.001232	\$(0.009022)	\$0.001271	\$(0.00005)	\$(0.000400)
March 1, 2016	\$0.001281	\$(0.007410)	\$0.001226	\$0.000015	\$0.000203
March 1, 2015	\$0.001249	\$0.003534	\$0.000847	\$0.000252	\$0.000420
March 1, 2014	\$0.001259	\$0.008816	\$0.000619	\$0.000113	\$0.000330

NOTICE

This rate schedule is subject to the Company’s Tariff and Applicable Legal Authorities.

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6.1.1.6.3 RIDER CMC – COMPETITIVE METERING CREDIT

AVAILABILITY

Applicable, pursuant to PUCT Substantive Rule §25.311, to any non-residential Retail Customer for which the Company has installed a Non-Company Owned Billing Meter.

MONTHLY CREDIT

A Retail Customer's credit for the billing month shall be:

<u>Rate Schedule</u>	<u>Credit</u>
Secondary Service Less than or Equal to 5 kW	\$ 1.90 per month
Secondary Service Greater than 5 kW	\$ 4.64 per month
Primary Service	\$ 4.64 per month
Transmission Service	\$100.00 per Meter per month

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.1.6.4 RIDER HCRF– HURRICANE COST RECOVERY FACTOR

AVAILABILITY

This rider is applicable to Delivery Service provided under Section 6.1.1.1.1 Residential Service, Section 6.1.1.1.2 Secondary Service (Less Than or Equal to 5 kW), Section 6.1.1.1.3 Secondary Service (Greater Than 5 kW), Section 6.1.1.1.4 Primary Service, Section 6.1.1.1.5 Primary Substation Service, Section 6.1.1.1.6 Transmission Service, and Section 6.1.1.1.7 Lighting Service in the Company's Tariff for Retail Delivery Service.

MONTHLY RATE

Residential Service	\$0.000862	Per kWh
Secondary Service (Less Than or Equal to 5KW)	\$0.000578	Per kWh
Secondary Service (Greater Than 5 KW)	\$0.187613	Per Actual kW
Primary Service	\$0.149962	Per Actual kW
Primary Substation Service	\$0.000160	Per Actual kW
Transmission Service	\$0.000025	Per Actual kW
Lighting Service	\$0.000893	Per kWh

TERM

Rider HCRF will be in effect for approximately five years until the amount approved in Docket No. xxxxxx for each rate class has been fully collected.

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.1.6.5 RIDER RCE – RATE CASE EXPENSE

AVAILABILITY

Rider RCE is designed to recover Commission approved rate case expenses associated with Docket No. xxxxxx. Rider RCE is applicable to electric delivery service from the Company during the periods this schedule is in effect and will be billed along with the other delivery service charges. Charges associated with Rider RCE will be determined in accordance with the applicable fee listed below. This schedule will be in effect for three years or until the amounts approved have been recovered.

MONTHLY RATE

Residential Service	\$0.000205	Per kWh
Secondary Service (Less Than or Equal to 5KW)	\$0.000128	Per kWh
Secondary Service (Greater Than 5 KW)	\$0.042029	Per Actual kW
Primary Service	\$0.031652	Per Actual kW
Primary Substation Service	\$0.020689	Per Actual kW
Transmission Service	\$0.007596	Per Actual kW
Lighting Service	\$0.000498	Per kWh

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.1.6.6 RIDER DCRF – DISTRIBUTION COST RECOVERY FACTOR

AVAILABILITY

Each Retail Customer connected to the Company’s transmission or distribution system will be assessed a nonbypassable distribution service charge adjustment pursuant to this rider. The charges derived herein, pursuant to Substantive Rule § 25.243, are necessitated by incremental distribution costs not included in the Company’s last general rate case proceeding before the Commission.

MONTHLY RATE

The Competitive Retailer, on behalf of the Retail Customer, will be assessed this distribution service charge adjustment based on the monthly per unit cost (DCRF) multiplied times the Retail Customer’s appropriate monthly billing determinant (kWh or Billing kW or Per Meter and per ESI ID). The DCRF shall be calculated for each rate according to the following formula:

$$DCRF = \frac{[(DIC_C - DIC_{RC}) * ROR_{AT}] + (DEPR_C - DEPR_{RC}) + (FIT_C - FIT_{RC}) + (OT_C - OT_{RC}) - \Sigma(DISTREV_{RC-CLASS} * \%GROWTH_{CLASS})}{ALOC_{CLASS} / BD_{C-CLASS}}$$

rounded to nearest \$.000001

Where:

- DIC_C = Current Net Distribution Invested Capital
- DIC_{RC} = Net Distribution Invested Capital from the last comprehensive base-rate proceeding.
- ROR_{AT} = After-Tax Rate of Return as defined in Substantive Rule § 25.243(d)(2).
- DEPR_C = Current Depreciation Expense, as related to Current Gross Distribution Invested Capital, calculated using the currently approved depreciation rates.
- DEPR_{RC} = Depreciation Expense, as related to Gross Distribution Invested Capital, from the last comprehensive base-rate proceeding.
- FIT_C = Current Federal Income Tax, as related to Current Net Distribution Invested Capital, including the change in federal income taxes related to the change in return on rate base and synchronization of interest associated with the change in rate base resulting from additions to and

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- retirements of distribution plant as used to compute Net Distribution Invested Capital.
- FIT_{RC} = Federal Income Tax, as related to Net Distribution Invested Capital from the last comprehensive base-rate proceeding.
- OT_C = Current Other Taxes (taxes other than income taxes and taxes associated with the return on rate base), as related to Current Net Distribution Invested capital, calculated using current tax rates and the methodology from the last comprehensive base-rate proceeding, and not including municipal franchise fees.
- OT_{RC} = Other Taxes, as related to Net Distribution Invested Capital from the last comprehensive base-rate proceeding, and not including municipal franchise fees.
- $DISTREV_{RC-CLASS}$ (Distribution Revenues by rate class based on Net Distribution Invested Capital from the last comprehensive base-rate proceeding) = $(DIC_{RC-CLASS} * ROR_{AT}) + DEPR_{RC-CLASS} + FIT_{RC-CLASS} + OT_{RC-CLASS}$.
- $\%GROWTH_{CLASS}$ (Growth in Billing Determinants by Class) = $(BD_{C-CLASS} - BD_{RC-CLASS}) / BC_{RC-CLASS}$.
- $DIC_{RC-CLASS}$ = Net Distribution Invested Capital allocated to the rate class from the last comprehensive base-rate proceeding.
- $DEPR_{RC-CLASS}$ = Depreciation Expense, as related to Gross Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding.
- $FIT_{RC-CLASS}$ = Federal Income Tax, as related to Net Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding.
- $OT_{RC-CLASS}$ = Other Taxes, as related to Net Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding, and not including municipal franchise fees.
- $ALLOC_{CLASS}$ = Rate Class Allocation Factor approved in the last comprehensive base-rate proceeding, calculated as: total net distribution plant allocated to rate class, divided by total net distribution plant. For situations in which data from the last comprehensive base-rate proceeding are not available to perform the described calculation, the Rate Class Allocation Factor shall be calculated as the total distribution revenue requirement allocated to the rate class (less any identifiable amounts explicitly unrelated to Distribution Invested Capital) divided by the total distribution revenue requirement (less any identifiable

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amounts explicitly unrelated to Distribution Invested Capital) for all classes as approved by the commission in the electric utility's last comprehensive base-rate case.

The Allocation Factor for each listed rate schedule is as follows:

Class	Class Allocation Factor
Residential	51.53%
Secondary Service < 5kW	0.80%
Secondary Service > 5kW	27.02%
Primary	15.63%
Primary Substation	0.01%
Transmission	1.29%
Lighting	1.67%

$BD_{C-CLASS}$ = Rate Class Billing Determinants (weather-normalized and adjusted to reflect the number of customers at the end of the period) for the 12 months ending on the date used for purposes of determining the Current Net Distribution Invested Capital. For customer classes billed primarily on the basis of kilowatt-hour billing determinants, the DCRF shall be calculated using kilowatt-hour billing determinants. For customer classes billed primarily on the basis of demand billing determinants, the DCRF shall be calculated using demand billing determinants.

$BD_{RC-CLASS}$ = Rate Class Billing Determinants used to set rates in the last comprehensive base-rate proceeding.

MONTHLY RATE

Residential Service	\$ 0.00	kWh
Secondary Service (Less Than or Equal to 5 kW)	\$ 0.00	kWh
Secondary Service (Greater Than 5 kW)	\$ 0.00	Billed kW
Primary Service	\$ 0.00	Billed kW
Primary Service - Substation	\$ 0.00	Billed kW
Transmission Service	\$ 0.00	Actual kW
Lighting Service	\$ 0.00	kWh

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Historical DCRF Rates – Distribution Cost Recovery Factor

Effective Date	Docket No.	Residential Service (Per kWh)	Secondary Service < 5kW (Per Billing kW)	Secondary Service >5kW (Per Billing kW)	Primary Service (Per Billing kW)	Primary Substation Service (Per Billing kW)	Transmission Service (Per ESI ID and Meter)	Lighting Service (Per kWh)
-	-							
June 29,2025	57816	\$ 0.017409	\$0.020673	\$3.522658	\$0.839649	\$0.839649	\$665.91	\$0.067962
Nov. 17, 2024	56887	\$0.012937	\$0.014474	\$2.587853	\$0.628469	\$0.628469	\$503.72	\$0.050184
July 28, 2024	56428	\$0.011729	\$0.012905	\$2.264824	\$0.515834	\$0.515834	\$457.78	\$0.044678
Sept. 1, 2023	54807	\$0.009120	\$0.009693	\$1.804050	\$0.523299	\$0.523299	\$378.16	\$0.033341
Sept. 1, 2022	53436	\$0.006487	\$0.007868	\$1.356983	\$0.587084	\$0.587084	\$278.87	\$0.023292
Sept. 1, 2021	51959	\$0.005079	\$0.008404	\$1.043740	\$0.494682	\$0.494682	\$233.28	\$0.018425
Sept. 1, 2020	50731	\$0.002715	\$0.004388	\$0.513878	\$0.268705	\$0.268705	\$125.04	\$0.009411

NOTICE

This Rate Schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.2 DISCRETIONARY SERVICE CHARGES (PREMISES WITH A STANDARD METER)

This section of this Tariff lists the Discretionary Service Charges for Premises with a Standard Meter. A Standard Meter permits Company to perform many Discretionary Services without dispatching personnel to Retail Customer's Premises.

Competitive Retailer shall submit an order on behalf of Retail Customer to perform the Discretionary Service at Premises with a Standard Meter, unless this Tariff permits Retail Customer to directly request Company to perform the Discretionary Service or allows Company to initiate performance of the Discretionary Service. Competitive Retailer shall include the appropriate TX SET transaction in an order submitted to Company requesting performance of the Discretionary Service.

Company shall complete performance of the Discretionary Service according to the applicable timeline in this Section. If Company is unable to complete performance of the Discretionary Service in compliance with the applicable timeline for any reason, including, but not limited to, an inability to successfully communicate with the Meter, it shall complete performance of the service in a timely manner. The term "timely" requires Company to complete performance of the service on the same day specified in the applicable timeline if weather, time of day, location of Premises, and other relevant factors permit. Otherwise, Company shall prioritize the completion of the service on the next AMS Operational Day.

Company shall bill the appropriate Discretionary Service Charge to Competitive Retailer upon completion of the service, unless Company initiates performance of the Discretionary Service and bills the Retail Customer directly. Company shall not apply any additional charges for its performance of the Discretionary Service, such as processing fees and copying fees. Charges designated "As Calculated" in this Section apply to Discretionary Services for which the costs of performing such services vary, depending upon the circumstances of the service order and the requirements necessary to complete service performance. Company shall use the appropriate TX SET transaction for the Discretionary Service in an invoice submitted to Competitive Retailer.

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6.1.2.1 UNIFORM DISCRETIONARY SERVICE CHARGES

Charge No.	Name and Description	Amount
Connection Charges		
(1)	<p>Move-In (Existing Standard Meter) This service initiates Delivery to Retail Customer's Point of Delivery. It is available only at Premises with an existing Standard Meter. It is not available if inspections, permits, or construction is required and not completed.</p> <p>Company shall complete performance of the service on the requested date, provided: (1) Company receives the order by 7:00 PM CPT on the requested date; and (2) the requested date is an AMS Operational Day.</p> <p>Company may treat an order received after 7:00 PM CPT on an AMS Operational Day, or on a day that is not an AMS Operational Day, as received by 7:00 PM CPT on the next AMS Operational Day.</p> <p>If the requested date is not an AMS Operational Day, Company shall complete performance of the service by the first AMS Operational Day following the requested date.</p>	\$1.00
(2)	<p>Move-In (New Standard Meter) This service initiates Delivery to Retail Customer's Point of Delivery upon the installation of a new Standard Meter at the Premises. It is not available if inspections, permits, or construction (other than installation of the Meter) is required and not completed. Construction Service Charges relating to the cost and installation of the new Standard Meter appear in Section 6.1.2.2, CONSTRUCTION SERVICE CHARGES.</p> <p>Company shall complete performance of the service on the requested date, provided: (1) the requested date is a Business Day; (2) Company receives the order by 5:00 PM CPT on a Business Day; and (3) the order is received at least two Business Days prior to the requested date.</p> <p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>If the order is received by the Company less than two Business Days prior to the requested date, Company shall complete performance of</p>	\$54

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	<p>the service within two Business Days after the date the order is received. If the order is received at least two Business Days prior to the requested date but the requested date is not a Business Day, Company shall complete performance of the service by the first Business Day following the requested date.</p>	
Disconnection Charges (Standard Meter)		
(3)	<p>Move-Out</p> <p>This service discontinues Delivery to Retail Customer's Point of Delivery.</p> <p>Company shall complete performance of the service on the requested date, provided: (1) Company receives the order by 7:00 PM CPT on the requested date; and (2) the requested date is an AMS Operational Day.</p> <p>Company may treat an order received after 7:00 PM CPT on an AMS Operational Day, or on a day that is not an AMS Operational Day, as received by 7:00 PM CPT on the next AMS Operational Day.</p> <p>If the requested date is not an AMS Operational Day, Company shall complete performance of the service by the first AMS Operational Day following the requested date.</p>	<p>Charge included in the Move-In charge.</p>
(4)	<p>Clearance Request</p> <p>This service de-energizes/re-energizes Company electrical facilities on Retail Customer's Premises before/after Retail Customer or Retail Customer's contractor engages in activity near Company's electrical facilities, or on or near Retail Customer's electrical facilities. Retail Customer may directly submit an order to Company to obtain this clearance as authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>Company shall complete performance of the service on the requested clearance date, provided: (1) Company receives the order by 5:00 PM CPT on a Business Day; and (2) the order is received at least three Business Days prior to the requested clearance date.</p>	

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	<p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>Company shall accommodate an order requesting clearance based on a mutual agreement with the requesting party to perform the service at charges calculated by Company if: (1) the requested clearance date is not a Business Day; (2) the Company receives the order less than three Business Days prior to the requested clearance date; or (3) the activities necessary for clearance cannot be safely performed on the requested clearance date.</p> <p>Three Business Days' Notice (Residential)</p> <p>Three Business Days' Notice (Non-Residential)</p> <p>Less Than Three Business Days' Notice</p>	<p>As Calculated</p> <p>As Calculated</p> <p>As Calculated</p>
<p>6.1.2.1.1 Disconnection/Reconnection for Non-Payment Charges (Standard Meter)</p>		
(5)	<p>Disconnection for Non-Payment (DNP)</p> <p>This service discontinues Delivery to Retail Customer's Point of Delivery due to Retail Customer's non-payment of charges billed by Competitive Retailer or Company. Company may also discontinue Delivery to Retail Customer's Point of Delivery due to Retail Customer's failure to fulfill obligations to the Company pursuant to a contract, this Tariff, or other Applicable Legal Authorities.</p> <p>Company shall not discontinue Delivery to Retail Customer's Point of Delivery due to non-payment: (1) before the requested date; (2) in violation of P.U.C. SUBST. R. 25.483(f)(2); or (3) if provisions in other Applicable Legal Authorities prohibit such disconnection. Company also shall not discontinue Delivery to a Retail Customer's Point of Delivery between the hours of 5:00 PM and 7:00 AM CPT due to non-payment, unless a coordinated disconnection allowing the disconnection of service between these hours is arranged pursuant to Section 4.3.12.3, COORDINATED DISCONNECTION. When appropriate, the coordinated disconnection of service may occur between 5:00 PM and 7:00 AM CPT.</p>	

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Charge No.	Name and Description	Amount
	<p>Company shall not charge Competitive Retailer for performance of the service if Company initiates disconnection for non-payment.</p> <p>Disconnection at Meter</p> <p>Subject to the restrictions in this Tariff, Competitive Retailer may submit an order requesting Company to disconnect service to a Retail Customer's Point of Delivery due to non-payment on either: (1) the date the order is received; or (2) a specified future date.</p> <p>Company shall complete performance of a same-day service order within two hours of Company's receipt of the order, provided Company receives the order by 3:00 PM CPT on a Business Day. If Company receives an order for same-day service after 3:00 PM CPT on a Business Day, or on a day that is not a Business Day, it shall complete performance of the service by 9:00 AM CPT on the next Business Day.</p> <p>Company shall complete performance of a future-dated service disconnection order by 9:00 AM CPT on the requested date, provided: (1) Company receives the order by 11:59:59 PM CPT on the day preceding the requested date; and (2) the requested date is a Business Day. If Company receives an order for future-dated service in which the requested date is not a Business Day, Company shall complete performance of the service by 9:00 AM CPT on the first Business Day following the requested date.</p> <p>Disconnection at Premium Location (e.g., pole, weatherhead, secondary box)</p> <p>Company shall complete performance of the order within three Business Days of the requested date, provided: (1) the requested date is a Business Day; (2) Company receives the order by 5:00 PM CPT on a Business Day; and (3) the order is received at least two Business Days before the requested date.</p> <p>If the requested date is not a Business Day, Company shall treat the next Business Day as the requested date.</p> <p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>If the order is received by Company less than two Business Days prior to the requested date, Company shall complete performance of the service within four Business Days after the date the order is received.</p>	<p>\$1.50</p> <p>\$163</p>

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Charge No.	Name and Description	Amount
<p>(6)</p>	<p>Reconnection After Disconnection for Non-Payment of Charges (DNP)</p> <p>This service restarts Delivery to Retail Customer's Point of Delivery after discontinuance due to Retail Customer's non-payment of charges billed by Competitive Retailer or Company.</p> <p>For Premises where Competitive Retailer provides prepaid service to Retail Customer pursuant to P.U.C. SUBST. R. 25.498, Company shall complete performance of the service within one hour of Company's receipt of order.</p> <p>Company shall not charge Competitive Retailer for performance of the service if Company restarts Delivery after Company-initiated disconnection for non-payment.</p> <p>Reconnection at Meter</p> <p>Company shall complete performance of the service within two hours of Company's receipt of order.</p> <p>Reconnection at Premium Location (e.g., pole, weatherhead, secondary box, etc.)</p> <p>Company shall complete performance of standard reconnection service on the date Company receives the order, provided Company receives the order by 2:00 PM CPT on a Business Day.</p> <p>If the order is received after 2:00 PM CPT on a Business Day, Company shall complete performance of the standard service on the same date if possible, but no later than the close of Company's next Field Operational Day.</p> <p>Company shall treat an order for standard reconnection service received after 7:00 PM CPT, or on a day that is not a Business Day, as received at 8:00 AM CPT on the next Business Day.</p> <p>Company shall complete performance of same-day reconnection service on date Company receives the order, provided Company receives the order by 5:00 PM CPT on a Business Day. If the order is received by Company after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, Company shall complete performance of the service no later than the close of Company's next Field Operational Day.</p>	<p>\$1.50</p>

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Charge No.	Name and Description	Amount
	<p>In no event shall Company fail to reconnect service within 48 hours after receipt of an order for reconnection service. However, if this requirement results in the reconnection being performed on a day that is not a Business Day, the appropriate Weekend or Holiday charge shall apply.</p> <ul style="list-style-type: none"> i. Standard Reconnect ii. Same Day Reconnect iii. Weekend iv. Holiday 	<p>\$145</p> <p>\$353</p> <p>\$353</p> <p>\$515</p>
Meter Testing Charge (Standard Meter)		
(7)	<p>This charge is for service to test Retail Customer's Meter in accordance with Section 4.7.4, METER TESTING. Retail Customer may directly submit an order to Company to perform this service as authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST AND REPORTING.</p> <p>Company-Owned Meter</p> <ul style="list-style-type: none"> a. First Meter test in last four years b. Meter found outside relevant accuracy standards c. All other <p>Competitive Meter</p>	<p>\$0.00</p> <p>\$0.00</p> <p>\$181</p> <p>\$240</p>
Meter Reading Charges (Standard Meter)		
(8)	<p>Meter Reading for the Purpose of a Standard Switch This service reads Retail Customer's Meter for the purpose of switching Retail Customer's account to a different Competitive Retailer when Retail Customer has not requested a self-selected switch. The service is performed in accordance with Section 4.3.4, CHANGING OF DESIGNATED COMPETITIVE RETAILER.</p>	\$0.00

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Charge No.	Name and Description	Amount
	<p>Company shall complete performance of the service using an Actual Meter Reading to allow completion of the switch on the First Available Switch Date (FASD) received from the Registration Agent, provided: (1) Company receives the order by 7:00 PM CPT on an AMS Operational Day; and (2) the FASD is an AMS Operational Day. The FASD is day zero unless otherwise specified by the Registration Agent.</p> <p>Company may treat an order received after 7:00 PM CPT on an AMS Operational Day, or on a day that is not an AMS Operational Day, as received on the next AMS Operational Day.</p> <p>Company may use an Estimated Meter Reading to complete performance of the service if conditions preclude execution of an Actual Meter Reading.</p>	
(9)	<p>Meter Reading for the Purpose of a Self-Selected Switch</p> <p>This service reads Retail Customer’s Meter on a date other than the Scheduled Meter Reading Date for the purpose of switching Retail Customer’s account to a different Competitive Retailer on a date certain. The service is performed in accordance with Section 4.3.4, CHANGING OF DESIGNATED COMPETITIVE RETAILER. A charge applies only when Company uses an Actual Meter Reading to perform the service.</p> <p>Company shall complete performance of the service on the requested date provided: (1) Company receives the order by 7:00 PM CPT on the requested date; and (2) the requested date is an AMS Operational Day.</p> <p>Company may treat an order received after 7:00 PM CPT on an AMS Operational Day, or on a day that is not an AMS Operational Day, as received on the next AMS Operational Day.</p> <p>If the requested date is not an AMS Operational Day, Company shall complete performance of the service by the first AMS Operational Day following the requested date.</p> <p>Company may use an Estimated Meter Reading to complete performance of the service if conditions preclude execution of an Actual Meter Reading.</p>	\$0.10
(10)	<p>Meter Reading for the Purpose of a Mass Transition</p>	\$0.00

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Charge No.	Name and Description	Amount
	This service provides a Meter Reading for each affected Retail Customer for the purpose of a mass transition of the Retail Customers pursuant to P.U.C. SUBST. R. 25.43. Company shall charge the exiting Competitive Retailer for performance of the service.	
Non-Standard Meter Installation Charge		
(11)	<p>Non-Standard Metering Service One-Time Fee</p> <p>Applicable to a Retail Customer receiving Non-Standard Metering Service. Company shall bill the One-Time Fee to Retail Customer, collect payment, and receive the signed, written acknowledgement pursuant to P.U.C. SUBST. R. 25.133 before the initiation of Non-Standard Metering Service.</p> <p>Existing Non-Standard Meter One-Time Fee</p> <p>New Analog Meter One-Time Fee</p> <p>Digital Non-Communicating Meter One-Time Fee</p>	<p></p> <p>\$112</p> <p>\$220</p> <p>\$285</p>
Service Call Charge (Standard Meter)		
(12)	<p>This charge is for service that dispatches Company personnel to Retail Customer's Premises to investigate an outage or other service-related problem. Retail Customer may directly submit an order to Company to perform this service as authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>A charge for performance of this service applies only if Company completes its investigation and determines the outage or other service-related problem is not caused by Company's equipment.</p> <p>Business Day (8:00 AM -5:00 PM CPT)</p> <p>Business Day (Other Hours)</p> <p>Weekend</p> <p>Holiday</p>	<p></p> <p>\$128</p> <p>\$328</p> <p>\$328</p> <p>\$490</p>

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Charge No.	Name and Description	Amount
Tampering and Related Charges (Standard Meter)		
(13)	<p>Tampering</p> <p>This service investigates and corrects the unauthorized use of Delivery System pursuant to Section 5.4.7, UNAUTHORIZED USE OF DELIVERY SYSTEM, or other Tampering with Company's Meter or Metering Equipment, or the theft of electric service by any person at the Retail Customer's Premises.</p> <p>Tampering charges may include, but are not limited to, Delivery Charges, the cost of testing the Meter, the cost of replacing and repairing a Meter and associated equipment (including the Meter seal), the cost of installing protective facilities or relocating the Meter, and all other costs associated with the investigation and correction of the unauthorized use.</p>	As Calculated
(14)	<p>Broken Outer Meter Seal</p> <p>This service replaces a broken outer Meter seal.</p>	\$37
Denial of Access Charges (Standard Meter)		
(15)	<p>Inaccessible Meter</p> <p>This service applies when Company personnel is unable to gain access to the Meter of a Critical Load Public Safety Customer or Critical Load Industrial Customer as a result of continued denial of access to the Meter as provided in Section 4.7.2.1, DENIAL OF ACCESS BY RETAIL CUSTOMER.</p>	\$106
(16)	<p>Denial of Access to Company's Delivery System</p> <p>This charge applies when Retail Customer fails to provide access to Retail Customer's Premises, as required by Section 5.4.8, ACCESS TO RETAIL CUSTOMER'S PREMISES, and includes all costs incurred by Company to obtain such access.</p>	As Calculated

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Franchise Fee on Discretionary Service Charges in City of Lewisville

For service within the incorporated limits of the City of Lewisville, which assesses a franchise fee equal to 4.00% of the Standard Discretionary Fees under this section, such additional municipal franchise fees shall be added to and separately stated in billing to the Competitive Retailer for such services

Franchise Fee on Discretionary Service Charges in City of Texas City

For service within the incorporated limits of the City of Texas City, which assesses a franchise fee equal to 4.00% of the Standard Discretionary Fees under this section, such additional municipal franchise fees shall be added to and separately stated in billing to the Competitive Retailer for such services.

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6.1.2.2 CONSTRUCTION CHARGES

6.1.2.2.1 EXTENSIONS OF ELECTRIC SERVICE

Company is responsible for the construction, extension, upgrade, or alteration of Delivery System facilities necessary to connect Retail Customer's Point of Delivery to Company's Delivery System in conjunction with Section 5.7, FACILITIES EXTENSION POLICY and the terms and conditions contained herein. Company makes extension of Delivery System facilities to Retail Customer's electrical installation so as to minimize the cost of such extension. In instances where the cost of the requested extension, installation or modification of Company's facilities is in excess of the standard allowances stated herein, or where the installation of non-standard facilities is requested, a Contribution In Aid of Construction ("CIAC") is required from the Retail Customer.

A. STANDARD DISTRIBUTION FACILITIES

Company's standard distribution facilities consist of the Delivery System facilities necessary to transport electric power and energy from a single, single-phase or three-phase distribution source to Retail Customer at one Point of Delivery via radial line, with one standard Company meter, at one of Company's available standard voltages. The service wire and meter will be of sufficient size characteristics to properly deliver and account for the electric power and energy consumed, as is reasonably practicable.

B. NON-STANDARD DISTRIBUTION FACILITIES

Non-standard facilities may include but are not limited to a two-way feed, automatic and manual transfer switches, Delivery Service through more than one Point of Delivery, redundant facilities, facilities in excess of those normally required for Delivery Service, or facilities necessary to provide Delivery Service at a non-standard voltage.

C. POLICY

1. In determining whether or not a contract and/or non-refundable CIAC is required, the Company may consider several factors, including, but not limited to, the size of the projected load, the revenue the projected load will generate,

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the Company's investment in the project, the likely permanence of the load, and the credit worthiness of the prospective customer.

2. To insure existing customers are not unfairly burdened by a proposed extension of services, the Company may alter the method of determining the Allowance. An Allowance is derived from a determination by the Company of the amount of investment supported by the customer's projected load, historical comparisons of similar loads in the same geographic region, and/or the failure rate of similar extensions to achieve permanence or generate revenue comparable to projections. Other similarly important factors may influence the actual Allowance the Company permits.
3. A Retail Customer requesting an extension of the Company's Delivery System facilities for an installation which in the judgment of the Company is of temporary occupancy or use (less than 12 months) will pay a CIAC prior to construction. The CIAC for such installations will equal the total cost of the facilities extension.
4. In the event a line extension is required, any construction cost options such as sharing of construction costs between the Company and the customer, or sharing of costs between the customer and other applicants shall be explained to the customer following assessment by the Company of necessary line work.
5. Easements and rights-of-way: all extensions shall be constructed on private easements or rights-of-way. Where private easements or rights-of-way are not available, such lines may be constructed on existing public roads, streets, alleys, easements or rights-of-way. New customers shall furnish rights-of-way or easements in a form acceptable to Company as required, without charge to the Company, over property owned or leased by such new customers and will assist the Company in securing other rights-of-way or easements necessary to provide service.
6. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company may, at its option, enter into a Facilities Extension Agreement with the customer, to assure that existing customers are not unfairly burdened in any way by the required investment.

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7. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company shall at all times have title to, complete ownership of and control over facilities installed by the Company or its contractors. Company may use any such facilities to serve other customers when Company determines it is feasible to do so. A nonrefundable CIAC or any other project cost sharing mechanism does not give Competitive Retailer or Retail Customer or any survivors, any rights to Company facilities except as may be made by separate agreement.

D. DEFINITIONS

1. Contribution in Aid of Construction (CIAC). A payment from Retail Customer, required prior to construction, for line extension projects whose project costs exceed the customer's Standard Allowance, if applicable.
2. Project Investment. The cost to the Company of extending the requested service, reduced by the cost of readily salvageable items.
3. Cost of the Extension. Another way of referring to the Project Investment.
4. Standard Allowance. Standard dollar allowance used to offset the Cost of the Extension.

6.1.2.2.2 STANDARD FACILITY EXTENSIONS

Extensions of Standard Facilities to permanent Retail Customers within the Company's certificated area where the estimated cost to extend facilities does not exceed the Standard Allowances stated herein, will be provided to Retail Customer at no cost. The Cost of the Extension is calculated by the Company using the route of the new line, as determined by the Company, from Company Delivery System facilities to the Retail Customer's point of delivery, and includes the cost of all Standard Facilities required to provide service to the customer. If the Cost of the Extension exceeds the Standard allowances stated herein, the Retail Customer will pay a non-refundable CIAC for the Cost of the Extension in excess of the stated allowances. In cases where a non-refundable CIAC is required, full payment of the CIAC must be received prior to construction.

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A. FACILITIES EXTENSION AGREEMENT

The Company may require execution of a Facilities Extension Agreement ("Agreement") before construction of the facilities may begin. This Agreement will set forth the terms and conditions of the extension and will specify the Project Investment, Standard Allowance, CIAC, and may require a letter of credit or surety to secure the amount of the Standard Allowance. The Agreement term will be for a period of up to 36 months (3 years).

B. FUNDING ARRANGEMENTS

1. The Company may require the Retail Customer to provide a letter of credit or other surety to secure the amount of the Standard Allowance prior to beginning construction. The amount of the surety will be equal to the Standard Allowance.
2. If acceptable to Company, the Retail Customer may establish a cash escrow account in lieu of other surety with the Company as beneficiary to the account. The arrangement must be approved by the Company before construction may begin. In addition, the applicant may be required to execute an Agreement setting forth the terms and conditions of the account arrangements. The amount of the escrow account will be equal to the Standard Allowance.
3. If the Retail Customer does not develop the number of lots or realize the maximum kW load that was used to compute the Standard Allowance and resulting CIAC, then the Retail Customer must pay an Under-Utilization charge at the end of the Agreement term. This Under-Utilization charge will be equal to the difference between the CIAC initially computed, and the Allowance and resulting CIAC as recalculated based on the number of lots built, sold and occupied, or maximum kW actually realized.

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6.1.2.2.3 STANDARD ALLOWANCE FOR LINE EXTENSIONS

A. CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)

Retail Customers may be required to provide a **non-refundable** Contribution in Aid of Construction ("CIAC") to extend electrical facilities to a customer's Point of Delivery as determined in the formula below. If the amount calculated is zero or negative, no CIAC is required. To the extent that the CIAC payment is considered taxable revenue to the Company, the CIAC shall include an amount equal to the Company's tax liability. The Company will install, own, operate and control all facilities necessary to provide electrical service to the Point of Delivery. The Project Investment will include all standard facilities, meters, services and transformers. Facilities not included in the Project Investment are those necessary to accommodate future growth considerations or Company initiated reliability enhancement projects.

The CIAC required is based on the formula:

$$\text{CIAC} = (\text{Project Investment} - \text{Standard Allowance}) + \text{Company's Tax Liability}$$

B. STANDARD ALLOWANCES

The method for determining Standard Allowance is as follows:

Residential and Small Commercial/Industrial loads with Maximum Demands less than 9 kW

Allowance = \$4,000 per End-Use Customer

Secondary Commercial/Industrial Loads over 9 kW

Allowance = \$356/kW (based on Maximum kW)

Primary Service

Allowance = \$225/kW (based on Maximum kW)

The determination of Maximum kW for the Standard Allowances is based on historical data from residences or businesses of similar size and function in that region of the

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state. Consideration is given to customer-owned equipment data supplied prior to the determination of a CIAC.

Under no circumstance shall any unused allowance be paid or credited to the Retail Customer or used to reduce the cost for installation of non-standard distribution facilities or non-standard street lighting facilities.

6.1.2.2.4 NON-STANDARD FACILITY EXTENSIONS

- A. If an existing or prospective Retail Customer requires or requests services which involve Non-Standard Facilities as described in Section 6.1.2.2.1.A of this tariff, the Retail Customer will be required to pay a non-refundable CIAC equal to the total cost of the installation of the Non-Standard Facilities. This CIAC must be paid prior to the construction of the Non-Standard Facilities.
- B. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company may terminate the provision of any Delivery Service utilizing non-standard facilities at the end of the contract term, or in the absence of a contract term, on reasonable notice to Retail Customer.

6.1.2.2.5 TEMPORARY DELIVERY SYSTEM FACILITIES

If, in the judgment of the Company, a proposed extension of the Company's Delivery System appears to be of a temporary nature, the Company shall require a non-refundable CIAC to be paid prior to the construction of the temporary facilities. The amount of the CIAC will be equal to the cost of installing and removing the temporary facilities, plus the estimated costs of materials to be used which are unsalvageable after removal of the installation.

6.1.2.2.6 REMOVAL AND RELOCATION OF COMPANY'S FACILITIES

The company may remove or relocate Company facilities upon request. If the removal or relocation of the Company facilities is associated with a change in the Retail Customer's requirements that results in additional load to the Company, then the appropriate Standard Allowance will be applied to the costs of removal or relocation. In all other cases, the requesting entity will pay the total cost of removing or relocating the facilities.

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A. REPLACEMENT OF FACILITIES

1. If the Company, pursuant to Section 4, SERVICE RULES AND REGULATIONS RELATING TO ACCESS TO DELIVERY SYSTEM OF COMPANY BY COMPETITIVE RETAILERS, and Section 5, SERVICE RULES AND REGULATIONS RELATING TO THE PROVISION OF DELIVERY SERVICE TO RETAIL CUSTOMERS, replaces existing overhead facilities with underground facilities, the Retail Customer will pay the Company a non-refundable CIAC consisting of the cost of installing the underground facilities plus the cost of removal of any overhead facilities less any salvage value of the removed facilities.
2. If the Company, as a result of the legal requirement of a political subdivision of the State of Texas ("Political Subdivision"), replaces or redesigns existing overhead facilities with underground facilities, or if a Political Subdivision requests Non-Standard facilities, or requires any future electrical facilities to be installed underground, the Company may surcharge all Retail Customers within the Political Subdivision for the previously described cost involved in converting or redesigning overhead facilities to underground, or in Company fulfilling the request for Non-Standard facilities. If said Political Subdivision wishes to make other arrangements to reimburse the Company, such other arrangements as are acceptable to the Company shall be allowed as long as Retail Customers outside the Political Subdivision are not required to subsidize the cost of such replacement.
3. Retail Customers will be required to pay a non-refundable CIAC for any of the following:
 - a. Removal and/or relocation of facilities for aesthetic purposes;
 - b. Relocation of facilities due to modifications on customer's Premises such as, but not limited to, swimming pools, barns, sheds, fences, etc.;
 - c. Commercial developments requiring the relocation and/or removal of facilities not necessarily for the purpose of providing electric service for that commercial development.

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B. CHANGES IN CUSTOMER FACILITIES

If a Retail Customer makes changes to its facilities which result in the Company being required to make changes to its system in order to either facilitate the changes or to bring the Company's facilities back into compliance with applicable Codes, or the Company's construction requirements, whichever is more stringent, the Retail Customer shall pay all costs incurred by the Company as the result of such changes.

6.1.2.2.7 TRANSMISSION LINE EXTENSIONS

Line extensions for transmission service customers shall be in accordance with Substantive Rules, §25.195 and §25.198, Terms and Conditions for Transmission Service. Transmission service customers shall provide ample notice to the Company for the purpose of filing Certificates of Convenience and Necessity and any other preparatory work in advance of construction.

A. STANDARD TRANSMISSION FACILITIES

Standard transmission facilities consist of the overhead Delivery System facilities necessary to transport Electric Power and Energy from a single transmission or transformation source to Retail Customer at one Point of Delivery via radial line, with one standard Company Meter, at one of the Company's available standard voltages. The Company will evaluate each new transmission service customer's request for connection to the transmission system to determine if a CIAC will be required. Additionally, the Company may require the transmission service customer to pay a deposit or provide other security to ensure costs for planning, licensing and constructing non-customer owned facilities are recoverable in the event the transmission service customer is unable to take transmission service.

B. NON-STANDARD TRANSMISSION FACILITIES

Transmission service customers requesting non-standard facilities will be required to pay all costs associated with those facilities. This provision does not

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apply to facilities related to transmission constraints that the Electric Reliability Council of Texas has otherwise required the Company to construct.

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6.1.2.3 DISCRETIONARY CHARGES OTHER THAN CONSTRUCTION CHARGES

AVAILABILITY

The service charges listed below are in addition to any other charges made under Company's tariff for delivery services, and will be applied for the appropriate condition described. The charges are applicable to all Retail Energy Providers (REPs) served by Company.

RATE

6.1.2.3.1 Facilities Relocation/Removal Charge

The Facilities Relocation/Removal Charge is a fee associated with relocation or removal of Company facilities at the request of and for the benefit of the REP's customer pursuant to the Company's Facilities Extension Policy. The Company may make a fee reflecting actual cost. Actual costs shall include direct labor costs associated with relocating or removal of Company facilities and related indirect costs

Facilities Relocation Removal Charge:	As Calculated
---------------------------------------	---------------

6.1.2.3.2 Facilities Location Charge

The **Facilities Location Charge** is a fee to the REP or entity requesting the location for any delivery facilities. A two working day notice is needed for this service. Requests are received through Texas Dig Test. The fee is calculated on an hourly basis.

During Business Hours	\$123.00/hr
Outside Business Hours	\$162.00/hr

6.1.2.3.3 Temporary Facilities Charge

A fee charged to a REP when any construction is required to make the electric service connection to provide temporary service. If no facilities are required to be installed and/or removed in providing this service, then only the appropriate Account Initiation Charge will be charged. The fee schedule is as follows:

- | | |
|--|---------------|
| A. Connect or disconnect service and read a meter already installed
(includes Account Initiation Charge) | \$111.00 |
| B. Install or remove single phase service and read a meter already
installed (includes Account Initiation Charge) | \$376.00 |
| C. Install and remove single phase service wires, meter and
transformers (up to 50 kVA) on existing pole and read a meter
(includes Account Initiation Charge) | As Calculated |

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D. All other temporary facilities – installation and removal As Calculated

6.1.2.3.4 Return Check or Bank Draft Charge

The Company may apply a handling charge of \$25.00 plus state and local taxes if applicable to a REP's account balance in the event the REP's check or bank draft is returned for insufficient funds.

Return Check or Bank Draft Charge \$25.00 plus state
and local taxes

6.1.2.3.5 Dual Socket Meter Adapter Installation Charge

Fee for installation of a dual socket meter adapter on instrument rated metering facilities to accommodate the Customer's meter. Company maintains ownership of this equipment. Measurements taken from Company's meter will be used to bill REP for non-bypassable charges and for settlement purposes. The fee will be calculated based on the equipment installed and labor and associated overheads.

Dual Socket Meter Adapter Installation Charge: As Calculated

6.1.2.3.6

6.1.2.3.7 Utility Service Switchover Charge

An REP or TDU fee for switching utility service from one TDU to another TDU that has the right to serve the facility and shall be handled pursuant to Public Utility Commission of Texas Substantive Rule §25.27. A Facilities Recovery Charge is comprised of the original cost less depreciation of the plant, less salvage, plus cost of removal of any distribution plant rendered idle and not usable elsewhere on the system by the disconnection of that customer.

Self Contained & Instrument Rated:

Base Charge \$578.86

Facilities Recovery Charge As Calculated

6.1.2.3.8 Miscellaneous Discretionary Service Charge

Fee for discretionary services not covered by the standard conditions above and provided in accordance with Commission Substantive Rules and are charged on the basis of an estimate for the job or the Company's cost plus appropriate adders.

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6.1.2.3.9 Electrical Pulse Equipment Maintenance Charge

Monthly fee for maintenance of electrical pulse devices. This is an optional service that covers repair/replacement of electric pulse equipment. If REP, Customer or energy service provider does not choose this service, REP, Customer or energy service provider is responsible for replacement charges according to discretionary service charge 6.1.3.3.9 B.

Electrical Pulse Equipment Maintenance Charge: \$10

6.1.2.3.10 Advanced Metering Electrical Pulse Equipment Installation/Replacement Charge

Fee for specific requests by Energy end-use Customer, the end-use Customer's Authorized Representative, or the end-use Customer's REP for installation/replacement of electrical pulse device equipment.

A	Installation Charge	\$340.00
B	Replacement Charges:	
	1. Isolation Relay	\$216.00
	2. Pulse Initiator	\$145.00
	3. Isolation Relay & Pulse Initiator	\$270.00
	4. Enclosure Box	\$115.00

6.1.2.3.11 Competitive Energy Charges

Applicability

The service charges listed below are applicable to all Retail Energy Providers (REPs) served by Company and are in addition to any other charges made under Company's tariff for delivery service. The charges below allow the Company to continue to provide these services for the REP's customers in areas where competitive services are not provided in the Company's service territory.

6.1.2.3.11.1 Non Standard Service Equipment Inspection / Testing Charge

Fee for the periodic inspection/testing of delivery facilities installed at the request of the REP to enhance service reliability. The Company may make a charge reflecting the actual costs at \$45.00 per hour. Actual costs include direct labor costs and related indirect costs. An additional charge associated with equipment and materials used to inspect/test the delivery facilities is in addition to the per-hour charge and may be charged by the Company.

Non Standard Equipment Inspection/Testing Charge: \$45.00 / hr plus cost

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6.1.2.3.11.2 Miscellaneous Competitive Energy Charges

Charge for any miscellaneous services performed at the request of the REP, not currently being provided for in the area that the REP is requesting the service. Company charges will be an amount sufficient enough to recover all Company costs

6.1.2.3.12 Competitive Metering Charges

6.1.2.3.12.1 Competitive Meter Installation Service Fee

Fee for the installation of an ERCOT approved meter that is owned by a third-party other than the Company.

Self-Contained Competitive Meter

Installation Service fee during business hours	\$145.00
Installation Service fee outside business hours	\$215.00
Testing and Programming fee for Meters that fail acceptance testing	\$20.00

Transformer Rated Competitive Meter

Installation Service fee during business hours	\$180.00
Installation Service fee outside business hours	\$270.00
Testing and Programming fee for Meters that fail acceptance testing	\$25.00

6.1.2.3.12.2 Competitive Meter Removal Service Fee

Fee for the removal of an ERCOT approved meter that is owned by a third party other than the Company.

At request of meter owner – no Company default meter requested

During Business hours	\$100.00
Outside Business hours	\$150.00

6.1.2.3.12.3 Competitive Meter Physical Access Equipment Installation Service Fee

Fee for the installation of an external termination junction box which utilizes the RJ family of connectors to provide physical access to the modem, network, serial and/or digital pulse data interfaces on a competitive meter.

No Additional Service Call Required (<i>performed during initial meter installation</i>)	\$45.00
Additional Service Call Required (<i>performed after initial meter installation</i>)	\$150.00
Service Available only during business hours.	

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6.1.2.3.13 Additional Service Design

Applicable to requests to prepare iterative designs to provide service to a specific location where such iterations are at the request of the Retail Customer for the Retail Customer's sole benefit. Calculated

6.1.2.3.14 Distributed Generation Meter Installation Fee

Fee for the installation of customer requested metering equipment, pursuant to Substantive Rule §25.213(b), to separately measure customer consumption and the outflow from installed customer owned distributed generation, at the distribution level. As Calculated

6.1.2.3.15 Interval Data Recorder (IDR) Equipment Installation

Applicable to installation, upon request, by Retail Customer or Retail Customer's Competitive Retailer, of Company's "Standard Advanced Metering Equipment" designed to access interval load data via telephone or other mode of transmission agreed to by customer to a central location. Equipment shall be installed within 30 days of receipt of request.

During Normal Business Hours

As Calculated*

NOTICE

This rate schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.2.4 DISTRIBUTED GENERATION SERVICE

DISTRIBUTED GENERATION SERVICE (DGS)

AVAILABILITY

Company shall interconnect distributed generation (DG) as described in P.U.C. Substantive Rules 25.211 and 25.212 and pursuant to the terms of the Agreement for Interconnection and Parallel Operation of Distributed Generation which is incorporated herein.

6.1.2.3.16

APPLICATION FOR INTERCONNECTION

A person seeking interconnection and parallel operation of distributed generation with Company must complete and submit the Application for Interconnection and Parallel Operation of Distributed Generation with the Utility System, which is incorporated herein.

DEFINITIONS

- 1) Non-Peak Hours – will be in accordance with the standard rate schedule that DGS is taken in conjunction with, if applicable.
- 2) Peak Hours – will be in accordance with the standard rate schedule that DGS is taken in conjunction with, if applicable.
- 3) Scheduling Service – a service that establishes specific hourly schedules for the transmission of power, by coordinating the event among affected Control Areas. This service includes set up, modifications, confirmations, implementation, accounting and necessary reporting of the transaction, as well as supporting hardware and software systems for control and tracking of schedules
- 4) Service Study – an on-site analysis used to determine the interconnection requirements and the system voltage for providing parallel service to a customer with DG. The study may vary in scope, but it results in the minimum information for attaching a small DG unit at a particular location on the Company's distribution system. The study may identify further studies needed for the interconnecting of larger DG units to the distribution system. An engineering analysis that determines whether the presence of the DG unit at a particular location would interfere with the protective fusing and relaying on the distribution system may also be required. This study includes an analysis of the DG contribution to power flow, VAR flow, available fault current, effects on switched capacitors and the effects on voltage levels under normal and worst case situations.

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STUDY FEES

No Pre-Interconnection Study Fees will be assessed for DG units up to 500 kW that are pre-certified (as defined pursuant to the Commission DG rules as defined in this tariff), that export no more than 15% of the total load on a single feeder, and contribute no more than 25% of the maximum potential short circuit current on a single feeder.

<u>NON-EXPORTING</u>	<u>0 to 10kW</u>	<u>10+ to 500kW</u>	<u>500+ to 2000kW</u>	<u>2000+ to 10,000kW</u>
1. Pre-certified, not on network				
Study Fee	\$270	\$270	\$ 3,938	\$ 3,938
2. Not pre-certified, not on network				
Study Fee	\$270	\$270	\$ 3,938	\$ 3,938
3. Pre-certified, on-network				
Study Fee	\$270	\$270	\$ 7,055	\$ 7,055
4. Not pre-certified, on network (1)				
Study Fee	\$270	\$270	\$ 7,055	\$ 7,055
<u>EXPORTING</u>	<u>0 to 10kW</u>	<u>10+ to 500kW</u>	<u>500+ to 2000kW</u>	<u>2000+ to 10,000kW</u>
1. Pre-certified, not on network				
Study Fee	\$337	\$337	\$4,275	\$4,275
2. Not pre-certified, not on network				
Study Fee	\$337	\$337	\$4,275	\$4,275
3. Pre-certified, on-network				
Study Fee	\$337	\$337	\$7,392	\$7,392
4. Not pre-certified, on network				
Study Fee	\$337	\$337	\$7,392	\$7,392

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STANDBY/SUPPLEMENTAL SERVICE

Standby Service – will be in accordance with the Company's Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Maintenance Service – will be in accordance the Company's Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Exception for Small Customers

For residential and small commercial DG customers, the contract capacity applicable for the Agreement for Standby Service will be the manufacturer's nameplate rating of the generator. For purposes of this rate schedule, a small commercial DG customer is an entity having either total load or a DG facility of less than 500 kW.

Supplemental

The purchase of supplemental energy is available in accordance with the applicable Residential Service or General Service rate schedule.

TERMS AND CONDITIONS OF SERVICE

The terms and conditions under which interconnection of distributed generation is to be provided are contained in P.U.C. Substantive Rules 25.211 and 25.212 which are incorporated herein by reference. The rules are subject to change from time to time as determined by the Commission, and such changes shall be automatically applicable hereto based upon the effective date of any Commission

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6.1.2.5 BEHIND THE METER ARRANGEMENT

A. Definitions exclusive to Behind the Meter Arrangement

DELIVERY SERVICE. The service performed by Company pursuant to this Tariff for the Delivery of Electric Power and Energy across Company Delivery System. Delivery Service comprises Delivery System Services and Discretionary Services. The service must include the ability to Install, maintain, replace, read and access to meter, perform load shed interruption, and disconnection of service.

DELIVERY SYSTEM. The electric lines, and other equipment, including transformers, owned by Company and the Meters, including Non-Company Owned Meters, used in the Delivery of Electric Power and Energy.

METER or BILLING METER. A device, or devices, connected via Company Delivery System for measuring the amount of Electric Power and Energy delivered to a particular location for Company billing, CR billing and as required by ERCOT.

B. Exclusive Right to Serve

TNMP holds a Certificate of Convenience and Necessity ("CCN") issued by the Public Utility Commission of Texas ("Commission") authorizing TNMP to provide electric delivery service to retail customers within its certificated service area. No other entity shall provide or cause to provide retail electric delivery service to any end-use customer located within TNMP's certificated territory. TNMP must be able to meter and construct necessary facilities to meet the obligations under this tariff, which includes metering, meter reading, provide disconnect of service, and load shed.

C. Behind-the-Meter and On-Site Generation

1. A customer within TNMP's certificated territory may install on-site or behind-the-meter generation facilities to serve its own load, provided such facilities comply with all applicable Commission rules, including P.U.C. SUBST. R. 25.211–25.217, and all TNMP interconnection, studies, and safety standards.
2. Any behind-the-meter or on-site generation that provides, transmits, or otherwise delivers electric energy to a retail customer other than the owner or lessee of the generation facility shall be considered retail service and is subject to TNMP's exclusive service rights within its certificated area.
3. Such facilities shall not be interconnected or operated in a manner that bypasses, displaces, or substitutes for TNMP's delivery system in serving retail load within TNMP's certificated territory.

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D. Third-Party Transmission or Generation Arrangements

1. No third-party transmission provider, power marketer, or generation may interconnect facilities or deliver electric energy directly to any retail customer within TNMP's certificated area without TNMP's consent.
2. Any arrangement that provides electric power across property lines or between separate premises within TNMP's certificated territory shall be deemed a violation of TNMP's CCN.
3. TNMP reserves the right to refer any such activity to the Commission for investigation and enforcement under PURA §§37.051–37.154

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6.1.3 DISCRETIONARY SERVICE CHARGES (PREMISES WITH A NON-STANDARD METER OTHER THAN AN AMS-M METER, AND PREMISES WITH UNMETERED SERVICE)

This Section of this Tariff lists the Discretionary Service Charges for Premises with a Non-Standard Meter (including Premises with an IDR Meter, but excluding Premises with an AMS-M Meter) and Premises with Unmetered Service. Discretionary Service Charges for Premises with AMS-M Meters are found in Section 6.1.4. A Non-Standard Meter requires Company to dispatch personnel to Retail Customer's Premises to perform a Discretionary Service.

Competitive Retailer shall submit an order on behalf of Retail Customer to perform the Discretionary Service at Premises with a Non-Standard Meter or Premises with Unmetered Service, unless this Tariff permits Retail Customer to directly request Company to perform the Discretionary Service or allows Company to initiate performance of the service. Competitive Retailer shall include the appropriate TX SET transaction in an order submitted to Company requesting performance of the Discretionary Service.

Company shall complete performance of the Discretionary Service according to the applicable timeline in this Section. If Company is unable to complete performance of the Discretionary Service in compliance with the applicable timeline, it shall complete performance of the service in a timely manner. The term "timely" requires Company to complete performance of the service on the same day specified in the applicable timeline if weather, time of day, location of Premises, and other relevant factors permit. Otherwise, Company shall prioritize the completion of the service on the next Business Day.

Company shall bill the appropriate Discretionary Service Charge to Competitive Retailer upon completion of the service, unless Company initiates performance of the Discretionary Service and bills the Retail Customer directly. Company shall not apply any additional charges for performance of the Discretionary Service, such as processing fees and copying fees. Charges designated "As Calculated" in this Section apply to Discretionary Services for which the costs of performing such services vary, depending upon the circumstances of the service order and the requirements necessary to complete service performance. Company shall use the appropriate TX SET transaction for the Discretionary Service in an invoice submitted to Competitive Retailer.

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	<p>Company shall complete performance of the service on the requested date, provided: (1) the requested date is a Business Day; and (2) Company receives the order by 5:00 PM CPT on a Business Day.</p> <p>If the requested date is not a Business Day, Company shall treat the next Business Day as the requested date.</p> <p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>Self-Contained Meter</p> <p>Current Transformer (CT)/Other Meter</p>	<p>\$26.00</p> <p>\$467</p>
Disconnection Charges (Non-Standard Meter)		
(3)	<p>Move-Out</p> <p>This service discontinues Delivery at Retail Customer's Point of Delivery.</p> <p>Company shall complete performance of the service on the requested date, provided: (1) the requested date is a Business Day; (2) Company receives the order by 5:00 PM CPT on a Business Day; and (3) the order is received at least two Business Days prior to the requested date.</p> <p>If the requested date is not a Business Day, Company shall treat the next Business Day as the requested date.</p> <p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>If the order is received by Company less than two Business Days prior to the requested date, Company shall complete performance of the service within two Business Days after the date the order is received.</p>	<p>Charge included in Standard Move-In charge.</p>
(4)	<p>Clearance Request</p> <p>This service de-energizes/re-energizes Company electrical facilities on Retail Customer's Premises before/after Retail Customer or Retail Customer's contractor engages in activity near Company's electrical facilities, or on or near Retail Customer's electrical facilities. Retail Customer may directly submit order to Company to obtain this clearance as authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p>	

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	<p>Company shall complete performance of the service on the requested clearance date, provided: (1) Company receives the order by 5:00 PM CPT on a Business Day; and (2) the order is received at least three Business Days prior the requested clearance date.</p> <p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>Company shall accommodate an order requesting clearance based on a mutual agreement with the requesting party to perform the service at charges calculated by Company if: (1) the requested clearance date is not a Business Day; (2) the Company receives the order less than three Business Days prior to the requested clearance date; or (3) the activities necessary for clearance cannot be safely performed on the requested clearance date.</p> <p>Three Business Days' Notice (Residential)</p> <p>Three Business Days' Notice (Non-Residential)</p> <p>Less Than Three Business Days' Notice</p>	<p>As Calculated</p> <p>As Calculated</p> <p>As Calculated</p>
Disconnection / Reconnection for Non-Payment of Charges (Non-Standard Meter)		
(5)	<p>Disconnection for Non-Payment (DNP)</p> <p>This service discontinues Delivery to Retail Customer's Point of Delivery due to Retail Customer's non-payment of charges billed by Competitive Retailer or Company. Company may also discontinue Delivery to Retail Customer's Point of Delivery due to Retail Customer's failure to fulfill obligations to the Company pursuant to a contract, this Tariff, or other Applicable Legal Authorities.</p> <p>Company shall not discontinue Delivery to a Retail Customer's Point of Delivery due to non-payment: (1) before the requested date; (2) in violation of P.U.C. SUBST. R. 25.483(f)(2); or (3) if provisions in other Applicable Legal Authorities prohibit such disconnection. Company also shall not discontinue Delivery to Retail Customer's Point of Delivery between the hours of 5:00 PM CPT and 7:00 AM CPT due to non-payment, unless a coordinated disconnection allowing the disconnection of service between these hours is arranged pursuant to Section 4.3.12.3, COORDINATED DISCONNECTION. When appropriate, the coordinated disconnection of service may occur between 5:00 PM and 7:00 AM CPT.</p> <p>Company shall complete performance of the service within three Business Days of the requested date, provided: (1) the requested date is a Business Day, (2) Company receives the order by 5:00 PM CPT on a Business Day, and (3) the order is received at least two Business Days prior to the requested date.</p>	

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(6)	<p>If the requested date is not a Business Day, Company shall treat the next Business Day as the requested date. Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>If the order is received by Company less than two Business Days prior to the requested date, Company shall complete performance of the service within four Business Days after the date the order is received.</p> <p>Company shall not charge Competitive Retailer for performance of the service if Company initiates disconnection for non-payment.</p>	
	<p>Disconnection at Meter</p> <p>Disconnection at Premium Location (e.g., pole, weatherhead, secondary box)</p>	<p>\$1.50</p> <p>\$163</p>
	<p>Reconnection After Disconnection for Non-Payment of Charges (DNP)</p> <p>This service restarts Delivery at Retail Customer's Point of Delivery after discontinuance due to Retail Customer's non-payment of charges billed by Competitive Retailer or Company.</p> <p>Company shall complete performance of standard reconnection service on the date Company receives the order, provided Company receives the order by 2:00 PM CPT on a Business Day.</p> <p>If Company receives the order after 2:00 PM CPT on a Business Day, Company shall complete performance of the standard reconnection service on the date of receipt if possible, but no later than the close of Company's next Field Operational Day.</p> <p>Company shall complete performance of same-day reconnection service on the date Company receives the order, provided Company receives the order by 5:00 PM CPT on a Business Day. If the order is received by Company after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, Company shall complete performance of the service no later than the close of Company's next Field Operational Day.</p> <p>Company shall treat an order for reconnection service received after 7:00 PM CPT, or received on a Non-Business Day, as received at 8:00 AM CPT on the next Business Day.</p> <p>In no event shall Company fail to reconnect service within 48 hours of Company's receipt of the order. However, if this requirement results in</p>	

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	<p>reconnection being performed on a day that is not a Business Day, the appropriate Weekend or Holiday charge shall apply.</p> <p>Company shall not charge Competitive Retailer for performance of the service if Company restarts Delivery reconnection after Company-initiated disconnection for non-payment.</p> <p>Reconnection at Meter</p> <ul style="list-style-type: none"> i. Standard Reconnect ii. Same Day Reconnect iii. Weekend iv. Holiday <p>Reconnection at Premium Location (e.g., pole, weatherhead, secondary box)</p> <ul style="list-style-type: none"> i. Standard Reconnect ii. Same Day Reconnect iii. Weekend iv. Holiday 	<p></p> <p></p> <p></p> <p>\$1.50</p> <p>\$62</p> <p>\$232</p> <p>\$345</p> <p></p> <p>\$145</p> <p>\$353</p> <p>\$353</p> <p>\$515</p>
Meter Testing Charge (Non-Standard Meter)		
(7)	<p>This charge is for service that tests Retail Customer's Meter in accordance with Section 4.7.4, METER TESTING. Retail Customer may directly submit order to Company to perform this service as authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST AND REPORTING.</p> <p>Self-Contained Meter (Company-Owned)</p> <ul style="list-style-type: none"> a. First Meter test in last four years b. Meter found outside of relevant accuracy standards c. All other <p>Current Transformer (CT)/Other Meter (Company-Owned)</p> <ul style="list-style-type: none"> a. First Meter test in last four years b. Meter found outside relevant accuracy standards c. All other 	<p></p> <p></p> <p>\$0.00</p> <p>\$0.00</p> <p>\$274</p> <p></p> <p>\$0.00</p> <p>\$0.00</p> <p>\$365</p>

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Charge No.	Name and Description	Amount
	Competitive Meter	\$365
Meter Reading Charges (Non-Standard Meter)		
(8)	<p>Re-Read to Verify Accuracy of Meter Reading</p> <p>This service verifies the accuracy of Company's Meter Reading of Retail Customer's Non-Standard Meter. Retail Customer may directly submit order to Company to perform this service if authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>Company shall complete performance of the service within five Business Days of Company's receipt of the order.</p> <p>Inaccurate Meter Reading</p> <p>Accurate Meter Reading</p>	<p>\$0.00</p> <p>\$51.00</p>
(9)	<p>Meter Reading for the Purpose of a Standard Switch</p> <p>This service reads Retail Customer's Meter for the purpose of switching Retail Customer's account to a different Competitive Retailer when Retail Customer has not requested a self-selected switch. The service is performed in accordance with Section 4.3.4, CHANGING OF DESIGNATED COMPETITIVE RETAILER.</p> <p>Company shall complete performance of the service using an Actual Meter Reading to allow completion of the switch within four Business Days of the First Available Switch Date (FASD) received from the Registration Agent. The FASD is day zero unless otherwise specified by the Registration Agent.</p> <p>If a Meter Reading occurs within four Business Days beginning with the FASD, Company shall complete performance of the service using the Meter Reading.</p> <p>Company may use an Estimated Meter Reading to complete performance of the service if conditions preclude execution of an Actual Meter Reading.</p> <p>Meter Reading for the Purpose of a Self-Selected Switch</p>	<p>\$0.00</p> <p>\$0.10</p>
(10)	<p>This service reads Retail Customer's Meter on a date other than the Scheduled Meter Reading Date for the purpose of switching Retail Customer's account to a different Competitive Retailer on a date certain. The service is performed in accordance with Section 4.3.4, CHANGING OF DESIGNATED COMPETITIVE RETAILER. A charge applies only when Company uses an Actual Meter Reading to perform the service.</p>	

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Charge No.	Name and Description	Amount
	<p>Company shall complete performance of the service on the requested date, provided: (1) the requested date is a Business Day; (2) Company receives the order by 5:00 PM CPT on a Business Day; and (3) the order is received at least two Business Days prior to the requested date.</p> <p>If the requested date is not a Business Day, Company shall treat the next Business Day as the requested date.</p> <p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>If the order is received by Company less than two Business Days prior to the requested date, Company shall complete performance of the service no later than two Business Days after the date the order is received.</p> <p>Company may use an Estimated Meter Reading to complete performance of the service if conditions preclude execution of an Actual Meter Reading.</p>	
(11)	<p>Meter Reading for the Purpose of a Switch Due to Denial of Access by Retail Customer</p>	\$106
	<p>This service completes a Meter Reading for the purpose of switching Retail Customer's account to a different Competitive Retailer when Company is unable to access Meter and perform an Actual Meter Reading.</p>	
(12)	<p>Estimated Meter Reading for the Purpose of a Mass Transition</p>	\$0.00
	<p>The service provides an Estimated Meter Reading for each affected Retail Customer for the purpose of a mass transition of the Retail Customers pursuant to P.U.C. SUBST. R. 25.43. Company shall charge the exiting Competitive Retailer for performance of the service.</p>	
Non-Standard Metering Service Recurring Fee		
(13)	<p>Non-Standard Metering Service Recurring Fee</p> <p>Applicable to a Retail Customer receiving Non-Standard Metering Service pursuant to P.U.C. SUBST. R. 25.133.</p>	\$51
Service Call Charge (Non-Standard Meter)		
(14)	<p>This charge is for service that dispatches Company personnel to Retail Customer's Premises to investigate an outage or other service-related</p>	

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	<p>problem. Retail Customer may directly submit order to Company to perform this service if authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>A charge for the performance of this service applies only if Company completes its investigation and determines the outage or other service-related problem is not caused by Company equipment.</p> <p>Business Day (8:00 AM--5:00 PM CPT)</p> <p>Business Day (Other Hours)</p> <p>Weekend</p> <p>Holiday</p>	<p>\$128</p> <p>\$328</p> <p>\$328</p> <p>\$490</p>
Outdoor Lighting Charges (Non-Standard Meter)		
(15)	<p>Security Lighting Repair</p> <p>This service repairs existing Company-owned security lights on Retail Customer's Premises. Company shall perform repairs necessitated by standard lamp and glass replacements at no charge. Retail Customer may directly submit order to Company to obtain the service if authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>Company shall complete performance of this service expeditiously after Company's receipt of the order in accordance with Section 5.4.6, RETAIL CUSTOMER'S DUTY REGARDING COMPANY'S FACILITIES ON RETAIL CUSTOMER'S PREMISES. Company shall complete repairs limited to standard lamp and glass replacements no later than 7 calendar days and no later than 15 calendar days for all other repairs.</p> <p>Security Light Removal</p> <p>This service removes Company-owned security lights on Retail Customer's Premises in accordance with Sections 5.7.8, REMOVAL AND RELOCATION OF COMPANY'S FACILITIES AND METERS and 5.7.9, DISMANTLING OF COMPANY'S FACILITIES. Retail Customer may directly submit order to Company to obtain the service.</p> <p>Company shall complete performance of the service on the requested date, provided Company receives the order at least 30 days prior to the requested date. Company may initiate removal of Company-owned security lights and complete performance of the service prior to the requested date upon mutual agreement between the Company and the requesting party.</p>	<p>As Calculated</p> <p>As Calculated</p>
(16)		

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Charge No.	Name and Description	Amount
(17)	<p>Company shall not assess a charge for the removal of Company-owned security lights initiated by Company.</p> <p>Street Light Removal</p> <p>This service removes Company-owned street lights in accordance with Sections 5.7.8, REMOVAL AND RELOCATION OF COMPANY'S FACILITIES AND METERS and 5.7.9, DISMANTLING OF COMPANY'S FACILITIES. Retail Customer may directly submit order to Company to obtain the service if authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>Company shall complete performance of the service on the requested date, provided Company receives the order at least 30 days prior to the requested date. Company may initiate removal of Company-owned street lights and complete performance of the service on a date or dates other than the requested date upon mutual agreement between the Company and the requesting party.</p>	As Calculated
Tampering and Related Charges (Non-Standard Meter)		
(18)	<p>Tampering</p> <p>This service investigates and corrects the unauthorized use of Delivery System pursuant to Section 5.4.7, UNAUTHORIZED USE OF DELIVERY SYSTEM, or other Tampering with Company's Meter or Metering Equipment, or the theft of electric service by any person at the Retail Customer's Premises.</p> <p>Tampering charges may include, but are not limited to, Delivery Charges, the cost of testing the Meter, the cost of replacing and repairing a Meter and Metering Equipment (including the Meter seal), the cost of installing protective facilities or relocating the Meter, and all other costs associated with the investigation and correction of the unauthorized use.</p>	As Calculated
(19)	<p>Broken Outer Meter Seal</p> <p>This service replaces a broken outer Meter seal.</p>	\$37
Denial of Access Charges (Non-Standard Meter)		
(20)	Inaccessible Meter	\$68

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Charge No.	Name and Description	Amount
(21)	<p>This charge is for service that applies when Company personnel are unable to gain access to the Meter of a Critical Load Public Safety Customer or Critical Load Industrial Customer Premises as a result of continued denial of access to Meter, as provided in Section 4.7.2.1, DENIAL OF ACCESS BY RETAIL CUSTOMER.</p> <p>Denial of Access to Company's Delivery System</p> <p>This charge applies when Retail Customer fails to provide access to Retail Customer's Premises, as required by Section 5.4.8, ACCESS TO RETAIL CUSTOMER'S PREMISES, and includes all costs incurred by Company to obtain such access.</p>	As Calculated

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Franchise Fee on Discretionary Service Charges in City of Lewisville

For service within the incorporated limits of the City of Lewisville, which assesses a franchise fee equal to 4.00% of the Standard Discretionary Fees under this section, such additional municipal franchise fees shall be added to and separately stated in billing to the Competitive Retailer for such services.

Franchise Fee on Discretionary Service Charges in City of Texas City

For service within the incorporated limits of the City of Texas City, which assesses a franchise fee equal to 4.00% of the Standard Discretionary Fees under this section, such additional municipal franchise fees shall be added to and separately stated in billing to the Competitive Retailer for such services.

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6.1.3.2 CONSTRUCTION CHARGES

6.1.3.2.1 6.1.3.2.1 EXTENSIONS OF ELECTRIC SERVICE

Company is responsible for the construction, extension, upgrade, or alteration of Delivery System facilities necessary to connect Retail Customer's Point of Delivery to Company's Delivery System in conjunction with Section 5.7, FACILITIES EXTENSION POLICY and the terms and conditions contained herein. Company makes extension of Delivery System facilities to Retail Customer's electrical installation so as to minimize the cost of such extension. In instances where the cost of the requested extension, installation or modification of Company's facilities is in excess of the standard allowances stated herein, or where the installation of non-standard facilities is requested, a Contribution In Aid of Construction ("CIAC") is required from the Retail Customer.

A. STANDARD DISTRIBUTION FACILITIES

Company's standard distribution facilities consist of the Delivery System facilities necessary to transport electric power and energy from a single, single-phase or three-phase distribution source to Retail Customer at one Point of Delivery via radial line, with one standard Company meter, at one of Company's available standard voltages. The service wire and meter will be of sufficient size characteristics to properly deliver and account for the electric power and energy consumed, as is reasonably practicable.

B. NON-STANDARD DISTRIBUTION FACILITIES

Non-standard facilities may include but are not limited to a two-way feed, automatic and manual transfer switches, Delivery Service through more than one Point of Delivery, redundant facilities, facilities in excess of those normally required for Delivery Service, or facilities necessary to provide Delivery Service at a non-standard voltage.

C. POLICY

1. In determining whether or not a contract and/or non-refundable CIAC is required, the Company may consider several factors, including, but not limited to, the size of the projected load, the revenue the projected load will generate, the Company's

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investment in the project, the likely permanence of the load, and the credit worthiness of the prospective customer.

2. To insure existing customers are not unfairly burdened by a proposed extension of services, the Company may alter the method of determining the Allowance. An Allowance is derived from a determination by the Company of the amount of investment supported by the customer's projected load, historical comparisons of similar loads in the same geographic region, and/or the failure rate of similar extensions to achieve permanence or generate revenue comparable to projections. Other similarly important factors may influence the actual Allowance the Company permits.
3. A Retail Customer requesting an extension of the Company's Delivery System facilities for an installation which in the judgment of the Company is of temporary occupancy or use (less than 12 months) will pay a CIAC prior to construction. The CIAC for such installations will equal the total cost of the facilities extension.
4. In the event a line extension is required, any construction cost options such as sharing of construction costs between the Company and the customer, or sharing of costs between the customer and other applicants shall be explained to the customer following assessment by the Company of necessary line work.
5. Easements and rights-of-way: all extensions shall be constructed on private easements or rights-of-way. Where private easements or rights-of-way are not available, such lines may be constructed on existing public roads, streets, alleys, easements or rights-of-way. New customers shall furnish rights-of-way or easements in a form acceptable to Company as required, without charge to the Company, over property owned or leased by such new customers and will assist the Company in securing other rights-of-way or easements necessary to provide service.
6. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company may, at its option, enter into a Facilities Extension Agreement with the customer, to assure that existing customers are not unfairly burdened in any way by the required investment.

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7. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company shall at all times have title to, complete ownership of and control over facilities installed by the Company or its contractors. Company may use any such facilities to serve other customers when Company determines it is feasible to do so. A nonrefundable CIAC or any other project cost sharing mechanism does not give Competitive Retailer or Retail Customer or any survivors, any rights to Company facilities except as may be made by separate agreement.

D. DEFINITIONS

1. Contribution in Aid of Construction (CIAC). A payment from Retail Customer, required prior to construction, for line extension projects whose project costs exceed the customer's Standard Allowance, if applicable.
2. Project Investment. The cost to the Company of extending the requested service, reduced by the cost of readily salvageable items.
3. Cost of the Extension. Another way of referring to the Project Investment.
4. Standard Allowance. Standard dollar allowance used to offset the Cost of the Extension.

6.1.3.2.2 STANDARD FACILITY EXTENSIONS

Extensions of Standard Facilities to permanent Retail Customers within the Company's certificated area where the estimated cost to extend facilities does not exceed the Standard Allowances stated herein, will be provided to Retail Customer at no cost. The Cost of the Extension is calculated by the Company using the route of the new line, as determined by the Company, from Company Delivery System facilities to the Retail Customer's point of delivery, and includes the cost of all Standard Facilities required to provide service to the customer. If the Cost of the Extension exceeds the Standard allowances stated herein, the Retail Customer will pay a non-refundable CIAC for the Cost of the Extension in excess of the stated allowances. In cases where a non-refundable CIAC is required, full payment of the CIAC must be received prior to construction.

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A. FACILITIES EXTENSION AGREEMENT

The Company may require execution of a Facilities Extension Agreement ("Agreement") before construction of the facilities may begin. This Agreement will set forth the terms and conditions of the extension and will specify the Project Investment, Standard Allowance, CIAC, and may require a letter of credit or surety to secure the amount of the Standard Allowance. The Agreement term will be for a period of up to 36 months (3 years).

B. FUNDING ARRANGEMENTS

1. The Company may require the Retail Customer to provide a letter of credit or other surety to secure the amount of the Standard Allowance prior to beginning construction. The amount of the surety will be equal to the Standard Allowance.
2. If acceptable to Company, the Retail Customer may establish a cash escrow account in lieu of other surety with the Company as beneficiary to the account. The arrangement must be approved by the Company before construction may begin. In addition, the applicant may be required to execute an Agreement setting forth the terms and conditions of the account arrangements. The amount of the escrow account will be equal to the Standard Allowance.
3. If the Retail Customer does not develop the number of lots or realize the maximum kW load that was used to compute the Standard Allowance and resulting CIAC, then the Retail Customer must pay an Under-Utilization charge at the end of the Agreement term. This Under-Utilization charge will be equal to the difference between the CIAC initially computed, and the Allowance and resulting CIAC as recalculated based on the number of lots built, sold and occupied, or maximum kW actually realized.

6.1.3.2.3 STANDARD ALLOWANCE FOR LINE EXTENSIONS

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A. CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)

Retail Customers may be required to provide a **non-refundable** Contribution in Aid of Construction ("CIAC") to extend electrical facilities to a customer's Point of Delivery as determined in the formula below. If the amount calculated is zero or negative, no CIAC is required. To the extent that the CIAC payment is considered taxable revenue to the Company, the CIAC shall include an amount equal to the Company's tax liability. The Company will install, own, operate and control all facilities necessary to provide electrical service to the Point of Delivery. The Project Investment will include all standard facilities, meters, services and transformers. Facilities not included in the Project Investment are those necessary to accommodate future growth considerations or Company initiated reliability enhancement projects.

The CIAC required is based on the formula:

$$\text{CIAC} = (\text{Project Investment} - \text{Standard Allowance}) + \text{Company's Tax Liability}$$

B. STANDARD ALLOWANCES

The method for determining Standard Allowance is as follows:

**Residential and Small Commercial/Industrial loads with Maximum Demands
less than 9 kW**

Allowance = \$4,000 per End-Use Customer

Secondary Commercial/Industrial Loads over 9 kW

Allowance = \$356/kW (based on Maximum kW)

Primary Service

Allowance = \$225/kW (based on Maximum kW)

The determination of Maximum kW for the Standard Allowances is based on historical data from residences or businesses of similar size and function in that region of the

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state. Consideration is given to customer-owned equipment data supplied prior to the determination of a CIAC.

Under no circumstance shall any unused allowance be paid or credited to the Retail Customer or used to reduce the cost for installation of non-standard distribution facilities or non-standard street lighting facilities.

6.1.3.2.7 NON-STANDARD FACILITY EXTENSIONS

- A. If an existing or prospective Retail Customer requires or requests services which involve Non-Standard Facilities as described in Section 6.1.2.2.1.A of this tariff, the Retail Customer will be required to pay a non-refundable CIAC equal to the total cost of the installation of the Non-Standard Facilities. This CIAC must be paid prior to the construction of the Non-Standard Facilities.
- B. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company may terminate the provision of any Delivery Service utilizing non-standard facilities at the end of the contract term, or in the absence of a contract term, on reasonable notice to Retail Customer.

6.1.3.2.8 TEMPORARY DELIVERY SYSTEM FACILITIES

If, in the judgment of the Company, a proposed extension of the Company's Delivery System appears to be of a temporary nature, the Company shall require a non-refundable CIAC to be paid prior to the construction of the temporary facilities. The amount of the CIAC will be equal to the cost of installing and removing the temporary facilities, plus the estimated costs of materials to be used which are unsalvageable after removal of the installation.

6.1.3.2.9 REMOVAL AND RELOCATION OF COMPANY'S FACILITIES

The company may remove or relocate Company facilities upon request. If the removal or relocation of the Company facilities is associated with a change in the Retail Customer's requirements that results in additional load to the Company, then the appropriate Standard Allowance will be applied to the costs of removal or relocation. In all other cases, the requesting entity will pay the total cost of removing or relocating the facilities.

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A. REPLACEMENT OF FACILITIES

1. If the Company, pursuant to Section 4, SERVICE RULES AND REGULATIONS RELATING TO ACCESS TO DELIVERY SYSTEM OF COMPANY BY COMPETITIVE RETAILERS, and Section 5, SERVICE RULES AND REGULATIONS RELATING TO THE PROVISION OF DELIVERY SERVICE TO RETAIL CUSTOMERS, replaces existing overhead facilities with underground facilities, the Retail Customer will pay the Company a non-refundable CIAC consisting of the cost of installing the underground facilities plus the cost of removal of any overhead facilities less any salvage value of the removed facilities.
2. If the Company, as a result of the legal requirement of a political subdivision of the State of Texas ("Political Subdivision"), replaces or redesigns existing overhead facilities with underground facilities, or if a Political Subdivision requests Non-Standard facilities, or requires any future electrical facilities to be installed underground, the Company may surcharge all Retail Customers within the Political Subdivision for the previously described cost involved in converting or redesigning overhead facilities to underground, or in Company fulfilling the request for Non-Standard facilities. If said Political Subdivision wishes to make other arrangements to reimburse the Company, such other arrangements as are acceptable to the Company shall be allowed as long as Retail Customers outside the Political Subdivision are not required to subsidize the cost of such replacement.
3. Retail Customers will be required to pay a non-refundable CIAC for any of the following:
 - a. Removal and/or relocation of facilities for aesthetic purposes;
 - b. Relocation of facilities due to modifications on customer's Premises such as, but not limited to, swimming pools, barns, sheds, fences, etc.;
 - c. Commercial developments requiring the relocation and/or removal of facilities not necessarily for the purpose of providing electric service for that commercial development.

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B. CHANGES IN CUSTOMER FACILITIES

If a Retail Customer makes changes to its facilities which result in the Company being required to make changes to its system in order to either facilitate the changes or to bring the Company's facilities back into compliance with applicable Codes, or the Company's construction requirements, whichever is more stringent, the Retail Customer shall pay all costs incurred by the Company as the result of such changes.

6.1.3.2.10 TRANSMISSION LINE EXTENSIONS

Line extensions for transmission service customers shall be in accordance with Substantive Rules, §25.195 and §25.198, Terms and Conditions for Transmission Service. Transmission service customers shall provide ample notice to the Company for the purpose of filing Certificates of Convenience and Necessity and any other preparatory work in advance of construction.

A. STANDARD TRANSMISSION FACILITIES

Standard transmission facilities consist of the overhead Delivery System facilities necessary to transport Electric Power and Energy from a single transmission or transformation source to Retail Customer at one Point of Delivery via radial line, with one standard Company Meter, at one of the Company's available standard voltages. The Company will evaluate each new transmission service customer's request for connection to the transmission system to determine if a CIAC will be required. Additionally, the Company may require the transmission service customer to pay a deposit or provide other security to ensure costs for planning, licensing and constructing non-customer owned facilities are recoverable in the event the transmission service customer is unable to take transmission service.

B. NON-STANDARD TRANSMISSION FACILITIES

Transmission service customers requesting non-standard facilities will be required to pay all costs associated with those facilities. This provision does not

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apply to facilities related to transmission constraints that the Electric Reliability Council of Texas has otherwise required the Company to construct.

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6.1.3.3 DISCRETIONARY CHARGES OTHER THAN CONSTRUCTION CHARGES

AVAILABILITY

The service charges listed below are in addition to any other charges made under Company's tariff for delivery services, and will be applied for the appropriate condition described. The charges are applicable to all Retail Energy Providers (REPs) served by Company.

RATE

6.1.3.3.1 Facilities Relocation/Removal Charge

The Facilities Relocation/Removal Charge is a fee associated with relocation or removal of Company facilities at the request of and for the benefit of the REP's customer pursuant to the Company's Facilities Extension Policy. The Company may make a fee reflecting actual cost. Actual costs shall include direct labor costs associated with relocating or removal of Company facilities and related indirect costs

Facilities Relocation Removal Charge: As Calculated

6.1.3.3.2 Facilities Location Charge

The **Facilities Location Charge** is a fee to the REP or entity requesting the location for any delivery facilities. A two working day notice is needed for this service. Requests are received through Texas Dig Test. The fee is calculated on an hourly basis.

During Business Hours	\$123.00/hr
Outside Business Hours	\$162.00/hr

6.1.3.3.3 Temporary Facilities Charge

A fee charged to a REP when any construction is required to make the electric service connection to provide temporary service. If no facilities are required to be installed and/or removed in providing this service, then only the appropriate Account Initiation Charge will be charged. The fee schedule is as follows:

- | | |
|---|----------|
| A. Connect or disconnect service and read a meter already installed (includes Account Initiation Charge) | \$111.00 |
| B. Install or remove single phase service and read a meter already installed (includes Account Initiation Charge) | \$376.00 |

As Calculated

- | | |
|--|--|
| C. Install and remove single phase service wires, meter and transformers (up to 50 kVA) on existing pole and read a meter (includes Account Initiation Charge) | |
|--|--|

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D. All other temporary facilities – installation and removal

As Calculated

6.1.3.3.4 Return Check or Bank Draft Charge

The Company may apply a handling charge of \$25.00 plus state and local taxes if applicable to a REP's account balance in the event the REP's check or bank draft is returned for insufficient funds.

Return Check or Bank Draft Charge

\$25.00 plus state
and local taxes

6.1.3.3.5 Dual Socket Meter Adapter Installation Charge

Fee for installation of a dual socket meter adapter on instrument rated metering facilities to accommodate the Customer's meter. Company maintains ownership of this equipment. Measurements taken from Company's meter will be used to bill REP for non-bypassable charges and for settlement purposes. The fee will be calculated based on the equipment installed and labor and associated overheads.

Dual Socket Meter Adapter Installation Charge:

As Calculated

6.1.3.3.6

6.1.3.3.7 Utility Service Switchover Charge

An REP or TDU fee for switching utility service from one TDU to another TDU that has the right to serve the facility and shall be handled pursuant to Public Utility Commission of Texas Substantive Rule §25.27. A Facilities Recovery Charge is comprised of the original cost less depreciation of the plant, less salvage, plus cost of removal of any distribution plant rendered idle and not usable elsewhere on the system by the disconnection of that customer.

Self Contained & Instrument Rated:

Base Charge

\$578.86

Facilities Recovery Charge

As Calculated

6.1.3.3.8 Miscellaneous Discretionary Service Charge

Fee for discretionary services not covered by the standard conditions above and provided in accordance with Commission Substantive Rules and are charged on the basis of an estimate for the job or the Company's cost plus appropriate adders.

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6.1.3.3.9 Electrical Pulse Equipment Maintenance Charge

Monthly fee for maintenance of electrical pulse devices. This is an optional service that covers repair/replacement of electric pulse equipment. If REP, Customer or energy service provider does not choose this service, REP, Customer or energy service provider is responsible for replacement charges according to discretionary service charge 6.1.3.3.9 B.

Electrical Pulse Equipment Maintenance Charge: \$10

6.1.3.3.10 Advanced Metering Electrical Pulse Equipment Installation/Replacement Charge

Fee for specific requests by Energy end-use Customer, the end-use Customer's Authorized Representative, or the end-use Customer's REP for installation/replacement of electrical pulse device equipment.

A	Installation Charge	\$340.00
B	Replacement Charges:	
	1. Isolation Relay	\$216.00
	2. Pulse Initiator	\$145.00
	3. Isolation Relay & Pulse Initiator	\$270.00
	4. Enclosure Box	\$115.00

6.1.3.3.11 Competitive Energy Charges

Applicability

The service charges listed below are applicable to all Retail Energy Providers (REPs) served by Company and are in addition to any other charges made under Company's tariff for delivery service. The charges below allow the Company to continue to provide these services for the REP's customers in areas where competitive services are not provided in the Company's service territory.

6.1.3.3.11.1 Non Standard Service Equipment Inspection / Testing Charge

Fee for the periodic inspection/testing of delivery facilities installed at the request of the REP to enhance service reliability. The Company may make a charge reflecting the actual costs at \$45.00 per hour. Actual costs include direct labor costs and related indirect costs. An additional charge associated with equipment and materials used to inspect/test the delivery facilities is in addition to the per-hour charge and may be charged by the Company.

Non Standard Equipment Inspection/Testing Charge: \$45.00 / hr plus cost

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6.1.3.3.11.2 Miscellaneous Competitive Energy Charges

Charge for any miscellaneous services performed at the request of the REP, not currently being provided for in the area that the REP is requesting the service. Company charges will be an amount sufficient enough to recover all Company costs

6.1.3.3.12 Competitive Metering Charges

6.1.3.3.12.1 Competitive Meter Installation Service Fee

Fee for the installation of an ERCOT approved meter that is owned by a third-party other than the Company.

Self-Contained Competitive Meter	
Installation Service fee during business hours	\$145.00
Installation Service fee outside business hours	\$215.00
Testing and Programming fee for Meters that fail acceptance testing	\$20.00
Transformer Rated Competitive Meter	
Installation Service fee during business hours	\$180.00
Installation Service fee outside business hours	\$270.00
Testing and Programming fee for Meters that fail acceptance testing	\$25.00

6.1.3.3.12.2 Competitive Meter Removal Service Fee

Fee for the removal of an ERCOT approved meter that is owned by a third party other than the Company.

At request of meter owner – no Company default meter requested	
During Business hours	\$100.00
Outside Business hours	\$150.00

6.1.3.3.12.3 Competitive Meter Physical Access Equipment Installation Service Fee

Fee for the installation of an external termination junction box which utilizes the RJ family of connectors to provide physical access to the modem, network, serial and/or digital pulse data interfaces on a competitive meter.

No Additional Service Call Required (<i>performed during initial meter installation</i>)	\$45.00
Additional Service Call Required (<i>performed after initial meter installation</i>)	\$150.00
Service Available only during business hours.	

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6.1.3.3.13 Additional Service Design

Applicable to requests to prepare iterative designs to provide service to a specific location where such iterations are at the request of the Retail Customer for the Retail Customer's sole benefit. Calculated

6.1.3.3.14 Distributed Generation Meter Installation Fee

Fee for the installation of customer requested metering equipment, pursuant to Substantive Rule §25.213(b), to separately measure customer consumption and the outflow from installed customer owned distributed generation, at the distribution level. As Calculated

6.1.3.3.15 Interval Data Recorder (IDR) Equipment Installation

Applicable to installation, upon request, by Retail Customer or Retail Customer's Competitive Retailer, of Company's "Standard Advanced Metering Equipment" designed to access interval load data via telephone or other mode of transmission agreed to by customer to a central location. Equipment shall be installed within 30 days of receipt of request.

During Normal Business Hours

As Calculated*

NOTICE

This rate schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.3.4 DISTRIBUTED GENERATION SERVICE

DISTRIBUTED GENERATION SERVICE (DGS)

AVAILABILITY

Company shall interconnect distributed generation (DG) as described in P.U.C. Substantive Rules 25.211 and 25.212 and pursuant to the terms of the Agreement for Interconnection and Parallel Operation of Distributed Generation which is incorporated herein.

6.1.3.4.1

APPLICATION FOR INTERCONNECTION

A person seeking interconnection and parallel operation of distributed generation with Company must complete and submit the Application for Interconnection and Parallel Operation of Distributed Generation with the Utility System, which is incorporated herein.

DEFINITIONS

- 5) Non-Peak Hours – will be in accordance with the standard rate schedule that DGS is taken in conjunction with, if applicable.
- 6) Peak Hours – will be in accordance with the standard rate schedule that DGS is taken in conjunction with, if applicable.
- 7) Scheduling Service – a service that establishes specific hourly schedules for the transmission of power, by coordinating the event among affected Control Areas. This service includes set up, modifications, confirmations, implementation, accounting and necessary reporting of the transaction, as well as supporting hardware and software systems for control and tracking of schedules
- 8) Service Study – an on-site analysis used to determine the interconnection requirements and the system voltage for providing parallel service to a customer with DG. The study may vary in scope, but it results in the minimum information for attaching a small DG unit at a particular location on the Company's distribution system. The study may identify further studies needed for the interconnecting of larger DG units to the distribution system. An engineering analysis that determines whether the presence of the DG unit at a particular location would interfere with the protective fusing and relaying on the distribution system may also be required. This study includes an analysis of the DG contribution to power flow, VAR flow, available fault current, effects on switched capacitors and the effects on voltage levels under normal and worst case situations.

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STUDY FEES

No Pre-Interconnection Study Fees will be assessed for DG units up to 500 kW that are pre-certified (as defined pursuant to the Commission DG rules as defined in this tariff), that export no more than 15% of the total load on a single feeder, and contribute no more than 25% of the maximum potential short circuit current on a single feeder.

<u>NON-EXPORTING</u>	<u>0 to 10kW</u>	<u>10+ to 500kW</u>	<u>500+ to 2000kW</u>	<u>2000+ to 10,000kW</u>
1. Pre-certified, not on network				
Study Fee	\$270	\$270	\$ 3,938	\$ 3,938
2. Not pre-certified, not on network				
Study Fee	\$270	\$270	\$ 3,938	\$ 3,938
3. Pre-certified, on-network				
Study Fee	\$270	\$270	\$ 7,055	\$ 7,055
4. Not pre-certified, on network (1)				
Study Fee	\$270	\$270	\$ 7,055	\$ 7,055
<u>EXPORTING</u>	<u>0 to 10kW</u>	<u>10+ to 500kW</u>	<u>500+ to 2000kW</u>	<u>2000+ to 10,000kW</u>
1. Pre-certified, not on network				
Study Fee	\$337	\$337	\$4,275	\$4,275
2. Not pre-certified, not on network				
Study Fee	\$337	\$337	\$4,275	\$4,275
3. Pre-certified, on-network				
Study Fee	\$337	\$337	\$7,392	\$7,392
4. Not pre-certified, on network				
Study Fee	\$337	\$337	\$7,392	\$7,392

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STANDBY/SUPPLEMENTAL SERVICE

Standby Service – will be in accordance with the Company's Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Maintenance Service – will be in accordance the Company's Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Exception for Small Customers

For residential and small commercial DG customers, the contract capacity applicable for the Agreement for Standby Service will be the manufacturer's nameplate rating of the generator. For purposes of this rate schedule, a small commercial DG customer is an entity having either total load or a DG facility of less than 500 kW.

Supplemental

The purchase of supplemental energy is available in accordance with the applicable Residential Service or General Service rate schedule.

TERMS AND CONDITIONS OF SERVICE

The terms and conditions under which interconnection of distributed generation is to be provided are contained in P.U.C. Substantive Rules 25.211 and 25.212 which are incorporated herein by reference. The rules are subject to change from time to time as determined by the Commission, and such changes shall be automatically applicable hereto based upon the effective date of any Commission.

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STANDBY/SUPPLEMENTAL SERVICE

Standby Service – will be in accordance with the Company’s Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Maintenance Service – will be in accordance the Company’s Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Exception for Small Customers

For residential and small commercial DG customers, the contract capacity applicable for the Agreement for Standby Service will be the manufacturer’s nameplate rating of the generator. For purposes of this rate schedule, a small commercial DG customer is an entity having either total load or a DG facility of less than 500 kW.

Supplemental

The purchase of supplemental energy is available in accordance with the applicable Residential Service or General Service rate schedule.

TERMS AND CONDITIONS OF SERVICE

The terms and conditions under which interconnection of distributed generation is to be provided are contained in P.U.C. Substantive Rules 25.211 and 25.212 which are incorporated herein by reference. The rules are subject to change from time to time as determined by the Commission, and such changes shall be automatically applicable hereto based upon the effective date of any Commission

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6.1.3.5 BEHIND THE METER ARRANGEMENT

A. Definitions exclusive to Behind the Meter Arrangement

DELIVERY SERVICE. The service performed by Company pursuant to this Tariff for the Delivery of Electric Power and Energy across Company Delivery System. Delivery Service comprises Delivery System Services and Discretionary Services. The service must include the ability to Install, maintain, replace, read and access to meter, perform load shed interruption, and disconnection of service.

DELIVERY SYSTEM. The electric lines, and other equipment, including transformers, owned by Company and the Meters, including Non-Company Owned Meters, used in the Delivery of Electric Power and Energy.

METER or BILLING METER. A device, or devices, connected via Company Delivery System for measuring the amount of Electric Power and Energy delivered to a particular location for Company billing, CR billing and as required by ERCOT.

B. Exclusive Right to Serve

TNMP holds a Certificate of Convenience and Necessity ("CCN") issued by the Public Utility Commission of Texas ("Commission") authorizing TNMP to provide electric delivery service to retail customers within its certificated service area. No other entity shall provide or cause to provide retail electric delivery service to any end-use customer located within TNMP's certificated territory. TNMP must be able to meter and construct necessary facilities to meet the obligations under this tariff, which includes metering, meter reading, provide disconnect of service, and load shed.

C. Behind-the-Meter and On-Site Generation

4. A customer within TNMP's certificated territory may install on-site or behind-the-meter generation facilities to serve its own load, provided such facilities comply with all applicable Commission rules, including P.U.C. SUBST. R. 25.211–25.217, and all TNMP interconnection, studies, and safety standards.
5. Any behind-the-meter or on-site generation that provides, transmits, or otherwise delivers electric energy to a retail customer other than the owner or lessee of the generation facility shall be considered retail service and is subject to TNMP's exclusive service rights within its certificated area.
6. Such facilities shall not be interconnected or operated in a manner that bypasses, displaces, or substitutes for TNMP's delivery system in serving retail load within TNMP's certificated territory.

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D. Third-Party Transmission or Generation Arrangements

3. No third-party transmission provider, power marketer, or generation may interconnect facilities or deliver electric energy directly to any retail customer within TNMP's certificated area without TNMP's consent.
4. Any arrangement that provides electric power across property lines or between separate premises within TNMP's certificated territory shall be deemed a violation of TNMP's CCN.
 3. TNMP reserves the right to refer any such activity to the Commission for investigation and enforcement under PURA §§37.051–37.154

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6.1.4 DISCRETIONARY SERVICE CHARGES (PREMISES WITH AN AMS-M METER)

This section of this Tariff lists the Discretionary Service Charges for Premises with an AMS-M Meter. An AMS-M Meter permits Company to perform some Discretionary Services without dispatching personnel to Retail Customer's Premises but lacks remote connection/disconnection functionality.

Competitive Retailer shall submit an order on behalf of Retail Customer to perform the Discretionary Service at Premises with an AMS-M Meter, unless this Tariff permits Retail Customer to directly request Company to perform the Discretionary Service or allows Company to initiate performance of the Discretionary Service. Competitive Retailer shall include the appropriate TX SET transaction in an order submitted to Company requesting a Discretionary Service.

Company shall complete performance of the Discretionary Service according to the applicable timeline in this Section. If Company is unable to complete performance of the Discretionary Service in compliance with the applicable timeline for any reason, including, but not limited to, an inability to successfully communicate with the Meter, it shall complete performance of the service in a timely manner. The term "timely" requires Company to complete performance of the service on the same day specified in the applicable timeline if weather, time of day, location of Premises, and other relevant factors permit. Otherwise, Company shall prioritize the completion of the service on the next Business Day.

Company shall bill the appropriate Discretionary Service Charge to Competitive Retailer upon completion of the service, unless Company initiates performance of the Discretionary Service and bills the Retail Customer directly. Company shall not apply any additional charges for its performance of the Discretionary Service, such as processing fees and copying fees. Charges designated "As Calculated" in this Section apply to Discretionary Services for which the costs of performing such services vary, depending upon the circumstances of the service order and the requirements necessary to complete service performance. Company shall use the appropriate TX SET transaction for the Discretionary Service in an invoice submitted to Competitive Retailer.

6.1.4.1 UNIFORM DISCRETIONARY SERVICE CHARGES

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Charge No.	Name and Description	Amount
	<p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>Self-Contained Meter</p> <p>Current Transformer (CT)/Other Meter</p>	<p>\$26.00</p> <p>\$467</p>
Disconnection Charges (AMS-M Meter)		
(3)	<p>Move-Out</p> <p>This service discontinues Delivery at Retail Customer's Point of Delivery.</p> <p>Company shall complete performance of the service on the requested date, provided: (1) the requested date is a Business Day; (2) Company receives the order by 5:00 PM CPT on a Business Day; and (3) the order is received at least two Business Days prior to the requested date.</p> <p>If the requested date is not a Business Day, Company shall treat the next Business Day as the requested date.</p> <p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>If the order is received by Company less than two Business Days prior to the requested date, Company shall complete performance of the service within two Business Days after the date the order is received.</p>	<p>Charge included in Standard Move-In charge.</p>
(4)	<p>Clearance Request</p> <p>This service de-energizes/re-energizes Company electrical facilities on Retail Customer's Premises before/after Retail Customer or Retail Customer's contractor engages in activity near Company's electrical facilities, or on or near Retail Customer's electrical facilities. Retail Customer may directly submit order to Company to obtain this clearance as authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>Company shall complete performance of the service on the requested clearance date, provided: (1) Company receives the order by 5:00 PM CPT on a Business Day; and (2) the order is received at least three Business Days prior the requested clearance date.</p>	

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Charge No.	Name and Description	Amount
	<p>Company may treat an order received after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>Company shall accommodate an order requesting clearance based on a mutual agreement with the requesting party to perform the service at charges calculated by Company if: (1) the requested clearance date is not a Business Day; (2) the Company receives the order less than three Business Days prior to the requested clearance date; or (3) the activities necessary for clearance cannot be safely performed on the requested clearance date.</p> <p>Three Business Days' Notice (Residential)</p> <p>Three Business Days' Notice (Non-Residential)</p> <p>Less Than Three Business Days' Notice</p>	<p>As Calculated</p> <p>As Calculated</p> <p>As Calculated</p>
Disconnection/Reconnection for Non-Payment of Charges (AMS-M Meter)		
(5)	<p>Disconnection for Non-Payment (DNP)</p> <p>This service discontinues Delivery to Retail Customer's Point of Delivery due to Retail Customer's non-payment of charges billed by Competitive Retailer or Company. Company may also discontinue Delivery to Retail Customer's Point of Delivery due to Retail Customer's failure to fulfill obligations to the Company pursuant to a contract, this Tariff, or other Applicable Legal Authorities.</p> <p>Company shall not discontinue Delivery to a Retail Customer's Point of Delivery due to non-payment: (1) before the requested date; (2) in violation of P.U.C. SUBST. R. 25.483(f)(2); or (3) if provisions in other Applicable Legal Authorities prohibit such disconnection. Company also shall not discontinue Delivery to Retail Customer's Point of Delivery between the hours of 5:00 PM CPT and 7:00 AM CPT due to non-payment, unless a coordinated disconnection allowing the disconnection of service between these hours is arranged pursuant to Section 4.3.12.3, COORDINATED DISCONNECTION. When appropriate, the coordinated disconnection of service may occur between 5:00 PM and 7:00 AM CPT.</p> <p>Company shall complete performance of the service within three Business Days of the requested date, provided: (1) the requested date is a Business Day; (2) Company receives the order by 5:00 PM CPT on a Business Day; and (3) the order is received at least two Business Days prior to the requested date.</p> <p>If the requested date is not a Business Day, Company shall treat the next Business Day as the requested date. Company may treat an order received</p>	

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(6)	<p>after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, as received by 5:00 PM CPT on the next Business Day.</p> <p>If the order is received by Company less than two Business Days prior to the requested date, Company shall complete performance of the service within four Business Days after the date the order is received.</p> <p>Company shall not charge Competitive Retailer for performance of the service if Company initiates disconnection for non-payment.</p>	
	<p>Disconnection at Meter</p> <p>Disconnection at Premium Location (e.g., pole, weatherhead, secondary box)</p>	<p>\$1.50</p> <p>\$163</p>
	<p>Reconnection After Disconnection for Non-Payment of Charges (DNP)</p> <p>This service restarts Delivery at Retail Customer's Point of Delivery after discontinuance due to Retail Customer's non-payment of charges billed by Competitive Retailer or Company.</p> <p>Company shall complete performance of standard reconnection service on the date Company receives the order, provided Company receives the order by 2:00 PM CPT on a Business Day.</p> <p>If Company receives the order after 2:00 PM CPT on a Business Day, Company shall complete performance of the standard reconnection service on the date of receipt if possible, but no later than the close of Company's next Field Operational Day.</p> <p>Company shall complete performance of same-day reconnection service on the date Company receives the order, provided Company receives the order by 5:00 PM CPT on a Business Day. If the order is received by Company after 5:00 PM CPT on a Business Day, or on a day that is not a Business Day, Company shall complete performance of the service no later than the close of Company's next Field Operational Day.</p> <p>Company shall treat an order for reconnection service received after 7:00 PM CPT, or received on a Non-Business Day, as received at 8:00 AM CPT on the next Business Day.</p> <p>In no event shall Company fail to reconnect service within 48 hours of Company's receipt of the order. However, if this requirement results in reconnection being performed on a day that is not a Business Day, the appropriate Weekend or Holiday charge shall apply.</p>	

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	<p>Company shall not charge Competitive Retailer for performance of the service if Company restarts Delivery reconnection after Company-initiated disconnection for non-payment.</p> <p>Reconnection at Meter</p> <ul style="list-style-type: none"> i. Standard Reconnect ii. Same Day Reconnect iii. Weekend iv. Holiday <p>Reconnection at Premium Location (e.g., pole, weatherhead, secondary box)</p> <ul style="list-style-type: none"> i. Standard Reconnect ii. Same Day Reconnect iii. Weekend iv. Holiday 	<p></p> <p>\$1.50</p> <p>\$62</p> <p>\$232</p> <p>\$345</p> <p></p> <p>\$145</p> <p>\$353</p> <p>\$353</p> <p>\$515</p>
Meter Testing Charges (AMS-M Meter)		
(7)	<p>This charge is for service that tests Retail Customer's Meter in accordance with Section 4.7.4, METER TESTING. Retail Customer may directly submit an order to Company to perform this service as authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST AND REPORTING.</p> <p>Self-Contained Meter (Company-Owned)</p> <ul style="list-style-type: none"> a. First Meter test in last four years b. Meter found outside of relevant accuracy standards c. All other <p>Current Transformer (CT)/Other Meter (Company-Owned)</p> <ul style="list-style-type: none"> a. First Meter test in last four years b. Meter found outside relevant accuracy standards c. All other 	<p></p> <p>\$0.00</p> <p>\$0.00</p> <p>\$275</p> <p></p> <p>\$0.00</p> <p>\$0.00</p> <p>\$365</p>

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	Competitive Meter	\$365
Meter Reading Charges (AMS-M Meter)		
(8)	<p>Meter Reading for the Purpose of a Standard Switch</p> <p>This service reads Retail Customer’s Meter for the purpose of switching Retail Customer’s account to a different Competitive Retailer when Retail Customer has not requested a self-selected switch. The service is performed in accordance with Section 4.3.4, CHANGING OF DESIGNATED COMPETITIVE RETAILER.</p> <p>Company shall complete performance of the service using an Actual Meter Reading to allow completion of the switch on the First Available Switch Date (FASD) received from the Registration Agent, provided: (1) Company receives the order by 7:00 PM CPT on an AMS Operational Day; and (2) the FASD is an AMS Operational Day. The FASD is day zero unless otherwise specified by the Registration Agent.</p> <p>Company may treat an order received after 7:00 PM CPT on an AMS Operational Day, or on a day that is not an AMS Operational Day, as received on the next AMS Operational Day.</p> <p>Company may use an Estimated Meter Reading to complete performance of the service if conditions preclude execution of an Actual Meter Reading.</p>	\$0.00
(9)	<p>Meter Reading for the Purpose of a Self-Selected Switch</p> <p>This service reads Retail Customer’s Meter on a date other than the Scheduled Meter Reading Date for the purpose of switching Retail Customer’s account to a different Competitive Retailer on a date certain. The service is performed in accordance with Section 4.3.4, CHANGING OF DESIGNATED COMPETITIVE RETAILER. A charge applies only when Company uses an Actual Meter Reading to perform the service.</p> <p>Company shall complete performance of the service on the requested date provided: (1) Company receives the order by 7:00 PM CPT on the requested date; and (2) the requested date is an AMS Operational Day.</p> <p>Company may treat an order received after 7:00 PM CPT on an AMS Operational Day, or on a day that is not an AMS Operational Day, as received on the next AMS Operational Day.</p> <p>If the requested date is not an AMS Operational Day, Company shall complete performance of the service by the first AMS Operational Day following the requested date.</p>	\$0.10

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Charge No.	Name and Description	Amount
(10)	<p>Company may use an Estimated Meter Reading to complete performance of the service if conditions preclude execution of an Actual Meter Reading.</p> <p>Meter Reading for the Purpose of a Mass Transition</p> <p>This service provides a Meter Reading for each affected Retail Customer for the purpose of a mass transition of the Retail Customers pursuant to P.U.C. SUBST. R. 25.43. Company shall charge the exiting Competitive Retailer for performance of the service.</p>	\$0.10
Non-Standard Meter Installation Charge (AMS-M Meter)		
(11)	<p>Non-Standard Metering Service One-Time Fee Applicable to a Retail Customer receiving Non-Standard Metering Service. Company shall bill the One-Time Fee to Retail Customer, collect payment, and receive the signed, written acknowledgement pursuant to P.U.C. SUBST. R. 25.133 before the initiation of Non-Standard Metering Service.</p> <p>Existing Non-Standard Meter One-Time Fee</p> <p>New Analog Meter One-Time Fee</p> <p>Digital Non-Communicating Meter One-Time Fee</p>	<p>\$112</p> <p>\$220</p> <p>\$285</p>
Service Call Charge (AMS-M Meter)		
(12)	<p>This charge is for service that dispatches Company personnel to Retail Customer's Premises to investigate an outage or other service-related problem. Retail Customer may directly submit order to Company to perform this service if authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>A charge for the performance of this service applies only if Company completes its investigation and determines the outage or other service-related problem is not caused by Company equipment.</p> <p>Business Day (8:00 AM--5:00 PM CPT)</p> <p>Business Day (Other Hours)</p> <p>Weekend</p> <p>Holiday</p>	<p>\$128</p> <p>\$328</p> <p>\$328</p> <p>\$490</p>
Outdoor Lighting Charges (AMS-M Meter)		

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Charge No.	Name and Description	Amount
(13)	<p>Street Light Removal</p> <p>This service removes Company-owned street lights in accordance with Sections 5.7.8, REMOVAL AND RELOCATION OF COMPANY'S FACILITIES AND METERS and 5.7.9, DISMANTLING OF COMPANY'S FACILITIES. Retail Customer may directly submit order to Company to obtain the service if authorized pursuant to Section 4.11, OUTAGE AND SERVICE REQUEST REPORTING.</p> <p>Company shall complete performance of the service on the requested date, provided Company receives the order at least 30 days prior to the requested date. Company may initiate removal of Company-owned street lights and complete performance of the service on a date or dates other than the requested date upon mutual agreement between the Company and the requesting party.</p>	As Calculated
Tampering and Related Charges (AMS-M Meter)		
(14)	<p>Tampering</p> <p>This service investigates and corrects the unauthorized use of Delivery System pursuant to Section 5.4.7, UNAUTHORIZED USE OF DELIVERY SYSTEM, or other Tampering with Company's Meter or Metering Equipment, or the theft of electric service by any person at the Retail Customer's Premises.</p> <p>Tampering charges may include, but are not limited to, Delivery Charges, the cost of testing the Meter, the cost of replacing and repairing a Meter and Metering Equipment (including the Meter seal), the cost of installing protective facilities or relocating the Meter, and all other costs associated with the investigation and correction of the unauthorized use.</p>	As Calculated
(15)	<p>Broken Outer Meter Seal</p> <p>This service replaces a broken outer Meter seal.</p>	\$37
Denial of Access Charges (AMS-M Meter)		
(16)	<p>Inaccessible Meter</p> <p>This charge is for service that applies when Company personnel are unable to gain access to the Meter of a Critical Load Public Safety Customer or Critical Load Industrial Customer Premises as a result of continued denial of access to Meter, as provided in Section 4.7.2.1, DENIAL OF ACCESS BY RETAIL CUSTOMER.</p>	\$106
(17)	<p>Denial of Access to Company's Delivery System</p>	As Calculated

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Charge No.	Name and Description	Amount
	This charge applies when Retail Customer fails to provide access to Retail Customer's Premises, as required by Section 5.4.8, ACCESS TO RETAIL CUSTOMER'S PREMISES, and includes all costs incurred by Company to obtain such access.	

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Franchise Fee on Discretionary Service Charges in City of Lewisville

For service within the incorporated limits of the City of Lewisville, which assesses a franchise fee equal to 4.00% of the Standard Discretionary Fees under this section, such additional municipal franchise fees shall be added to and separately stated in billing to the Competitive Retailer for such services.

Franchise Fee on Discretionary Service Charges in City of Texas City

For service within the incorporated limits of the City of Texas City, which assesses a franchise fee equal to 4.00% of the Standard Discretionary Fees under this section, such additional municipal franchise fees shall be added to and separately stated in billing to the Competitive Retailer for such services.

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6.1.4.2 CONSTRUCTION CHARGES

6.1.4.2.1 EXTENSIONS OF ELECTRIC SERVICE

Company is responsible for the construction, extension, upgrade, or alteration of Delivery System facilities necessary to connect Retail Customer's Point of Delivery to Company's Delivery System in conjunction with Section 5.7, FACILITIES EXTENSION POLICY and the terms and conditions contained herein. Company makes extension of Delivery System facilities to Retail Customer's electrical installation so as to minimize the cost of such extension. In instances where the cost of the requested extension, installation or modification of Company's facilities is in excess of the standard allowances stated herein, or where the installation of non-standard facilities is requested, a Contribution In Aid of Construction ("CIAC") is required from the Retail Customer.

A. STANDARD DISTRIBUTION FACILITIES

Company's standard distribution facilities consist of the Delivery System facilities necessary to transport electric power and energy from a single, single-phase or three-phase distribution source to Retail Customer at one Point of Delivery via radial line, with one standard Company meter, at one of Company's available standard voltages. The service wire and meter will be of sufficient size characteristics to properly deliver and account for the electric power and energy consumed, as is reasonably practicable.

B. NON-STANDARD DISTRIBUTION FACILITIES

Non-standard facilities may include but are not limited to a two-way feed, automatic and manual transfer switches, Delivery Service through more than one Point of Delivery, redundant facilities, facilities in excess of those normally required for Delivery Service, or facilities necessary to provide Delivery Service at a non-standard voltage.

C. POLICY

1. In determining whether or not a contract and/or non-refundable CIAC is required, the Company may consider several factors, including, but not limited to, the size of the projected load, the revenue the projected load will generate, the Company's

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investment in the project, the likely permanence of the load, and the credit worthiness of the prospective customer.

2. To insure existing customers are not unfairly burdened by a proposed extension of services, the Company may alter the method of determining the Allowance. An Allowance is derived from a determination by the Company of the amount of investment supported by the customer's projected load, historical comparisons of similar loads in the same geographic region, and/or the failure rate of similar extensions to achieve permanence or generate revenue comparable to projections. Other similarly important factors may influence the actual Allowance the Company permits.
3. A Retail Customer requesting an extension of the Company's Delivery System facilities for an installation which in the judgment of the Company is of temporary occupancy or use (less than 12 months) will pay a CIAC prior to construction. The CIAC for such installations will equal the total cost of the facilities extension.
4. In the event a line extension is required, any construction cost options such as sharing of construction costs between the Company and the customer, or sharing of costs between the customer and other applicants shall be explained to the customer following assessment by the Company of necessary line work.
5. Easements and rights-of-way: all extensions shall be constructed on private easements or rights-of-way. Where private easements or rights-of-way are not available, such lines may be constructed on existing public roads, streets, alleys, easements or rights-of-way. New customers shall furnish rights-of-way or easements in a form acceptable to Company as required, without charge to the Company, over property owned or leased by such new customers and will assist the Company in securing other rights-of-way or easements necessary to provide service.
6. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company may, at its option, enter into a Facilities Extension Agreement with the customer, to assure that existing customers are not unfairly burdened in any way by the required investment.

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7. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company shall at all times have title to, complete ownership of and control over facilities installed by the Company or its contractors. Company may use any such facilities to serve other customers when Company determines it is feasible to do so. A nonrefundable CIAC or any other project cost sharing mechanism does not give Competitive Retailer or Retail Customer or any survivors, any rights to Company facilities except as may be made by separate agreement.

D. DEFINITIONS

1. Contribution in Aid of Construction (CIAC). A payment from Retail Customer, required prior to construction, for line extension projects whose project costs exceed the customer's Standard Allowance, if applicable.
2. Project Investment. The cost to the Company of extending the requested service, reduced by the cost of readily salvageable items.
3. Cost of the Extension. Another way of referring to the Project Investment.
4. Standard Allowance. Standard dollar allowance used to offset the Cost of the Extension.

6.1.4.2.2 STANDARD FACILITY EXTENSIONS

Extensions of Standard Facilities to permanent Retail Customers within the Company's certificated area where the estimated cost to extend facilities does not exceed the Standard Allowances stated herein, will be provided to Retail Customer at no cost. The Cost of the Extension is calculated by the Company using the route of the new line, as determined by the Company, from Company Delivery System facilities to the Retail Customer's point of delivery, and includes the cost of all Standard Facilities required to provide service to the customer. If the Cost of the Extension exceeds the Standard allowances stated herein, the Retail Customer will pay a non-refundable CIAC for the Cost of the Extension in excess

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of the stated allowances. In cases where a non-refundable CIAC is required, full payment of the CIAC must be received prior to construction.

E. FACILITIES EXTENSION AGREEMENT

The Company may require execution of a Facilities Extension Agreement ("Agreement") before construction of the facilities may begin. This Agreement will set forth the terms and conditions of the extension and will specify the Project Investment, Standard Allowance, CIAC, and may require a letter of credit or surety to secure the amount of the Standard Allowance. The Agreement term will be for a period of up to 36 months (3 years).

F. FUNDING ARRANGEMENTS

1. The Company may require the Retail Customer to provide a letter of credit or other surety to secure the amount of the Standard Allowance prior to beginning construction. The amount of the surety will be equal to the Standard Allowance.
2. If acceptable to Company, the Retail Customer may establish a cash escrow account in lieu of other surety with the Company as beneficiary to the account. The arrangement must be approved by the Company before construction may begin. In addition, the applicant may be required to execute an Agreement setting forth the terms and conditions of the account arrangements. The amount of the escrow account will be equal to the Standard Allowance.
3. If the Retail Customer does not develop the number of lots or realize the maximum kW load that was used to compute the Standard Allowance and resulting CIAC, then the Retail Customer must pay an Under-Utilization charge at the end of the Agreement term. This Under-Utilization charge will be equal to the difference between the CIAC initially computed, and the Allowance and resulting CIAC as recalculated based on the number of lots built, sold and occupied, or maximum kW actually realized.

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6.1.4.2.3 STANDARD ALLOWANCE FOR LINE EXTENSIONS

A. CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)

Retail Customers may be required to provide a **non-refundable** Contribution in Aid of Construction ("CIAC") to extend electrical facilities to a customer's Point of Delivery as determined in the formula below. If the amount calculated is zero or negative, no CIAC is required. To the extent that the CIAC payment is considered taxable revenue to the Company, the CIAC shall include an amount equal to the Company's tax liability. The Company will install, own, operate and control all facilities necessary to provide electrical service to the Point of Delivery. The Project Investment will include all standard facilities, meters, services and transformers. Facilities not included in the Project Investment are those necessary to accommodate future growth considerations or Company initiated reliability enhancement projects.

The CIAC required is based on the formula:

$$\text{CIAC} = (\text{Project Investment} - \text{Standard Allowance}) + \text{Company's Tax Liability}$$

B. STANDARD ALLOWANCES

The method for determining Standard Allowance is as follows:

**Residential and Small Commercial/Industrial loads with Maximum Demands
less than 9 kW**

Allowance = \$4,000 per End-Use Customer

Secondary Commercial/Industrial Loads over 9 kW

Allowance = \$356/kW (based on Maximum kW)

Primary Service

Allowance = \$225/kW (based on Maximum kW)

The determination of Maximum kW for the Standard Allowances is based on historical data from residences or businesses of similar size and function in that region of the

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state. Consideration is given to customer-owned equipment data supplied prior to the determination of a CIAC.

Under no circumstance shall any unused allowance be paid or credited to the Retail Customer or used to reduce the cost for installation of non-standard distribution facilities or non-standard street lighting facilities.

6.1.4.2.4 NON-STANDARD FACILITY EXTENSIONS

- A. If an existing or prospective Retail Customer requires or requests services which involve Non-Standard Facilities as described in Section 6.1.2.2.1.A of this tariff, the Retail Customer will be required to pay a non-refundable CIAC equal to the total cost of the installation of the Non-Standard Facilities. This CIAC must be paid prior to the construction of the Non-Standard Facilities.
- B. Pursuant to Section 5.7.2, CONTRACTUAL ARRANGEMENTS, the Company may terminate the provision of any Delivery Service utilizing non-standard facilities at the end of the contract term, or in the absence of a contract term, on reasonable notice to Retail Customer.

6.1.4.2.5 TEMPORARY DELIVERY SYSTEM FACILITIES

If, in the judgment of the Company, a proposed extension of the Company's Delivery System appears to be of a temporary nature, the Company shall require a non-refundable CIAC to be paid prior to the construction of the temporary facilities. The amount of the CIAC will be equal to the cost of installing and removing the temporary facilities, plus the estimated costs of materials to be used which are unsalvageable after removal of the installation.

6.1.4.2.6 REMOVAL AND RELOCATION OF COMPANY'S FACILITIES

The company may remove or relocate Company facilities upon request. If the removal or relocation of the Company facilities is associated with a change in the Retail Customer's requirements that results in additional load to the Company, then the appropriate Standard Allowance will be applied to the costs of removal or relocation. In all other cases, the requesting entity will pay the total cost of removing or relocating the facilities.

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A. REPLACEMENT OF FACILITIES

1. If the Company, pursuant to Section 4, SERVICE RULES AND REGULATIONS RELATING TO ACCESS TO DELIVERY SYSTEM OF COMPANY BY COMPETITIVE RETAILERS, and Section 5, SERVICE RULES AND REGULATIONS RELATING TO THE PROVISION OF DELIVERY SERVICE TO RETAIL CUSTOMERS, replaces existing overhead facilities with underground facilities, the Retail Customer will pay the Company a non-refundable CIAC consisting of the cost of installing the underground facilities plus the cost of removal of any overhead facilities less any salvage value of the removed facilities.
2. If the Company, as a result of the legal requirement of a political subdivision of the State of Texas ("Political Subdivision"), replaces or redesigns existing overhead facilities with underground facilities, or if a Political Subdivision requests Non-Standard facilities, or requires any future electrical facilities to be installed underground, the Company may surcharge all Retail Customers within the Political Subdivision for the previously described cost involved in converting or redesigning overhead facilities to underground, or in Company fulfilling the request for Non-Standard facilities. If said Political Subdivision wishes to make other arrangements to reimburse the Company, such other arrangements as are acceptable to the Company shall be allowed as long as Retail Customers outside the Political Subdivision are not required to subsidize the cost of such replacement.
3. Retail Customers will be required to pay a non-refundable CIAC for any of the following:
 - a. Removal and/or relocation of facilities for aesthetic purposes;
 - b. Relocation of facilities due to modifications on customer's Premises such as, but not limited to, swimming pools, barns, sheds, fences, etc.;
 - c. Commercial developments requiring the relocation and/or removal of facilities not necessarily for the purpose of providing electric service for that commercial development.

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B. CHANGES IN CUSTOMER FACILITIES

If a Retail Customer makes changes to its facilities which result in the Company being required to make changes to its system in order to either facilitate the changes or to bring the Company's facilities back into compliance with applicable Codes, or the Company's construction requirements, whichever is more stringent, the Retail Customer shall pay all costs incurred by the Company as the result of such changes.

6.1.4.2.7 TRANSMISSION LINE EXTENSIONS

Line extensions for transmission service customers shall be in accordance with Substantive Rules, §25.195 and §25.198, Terms and Conditions for Transmission Service. Transmission service customers shall provide ample notice to the Company for the purpose of filing Certificates of Convenience and Necessity and any other preparatory work in advance of construction.

A. STANDARD TRANSMISSION FACILITIES

Standard transmission facilities consist of the overhead Delivery System facilities necessary to transport Electric Power and Energy from a single transmission or transformation source to Retail Customer at one Point of Delivery via radial line, with one standard Company Meter, at one of the Company's available standard voltages. The Company will evaluate each new transmission service customer's request for connection to the transmission system to determine if a CIAC will be required. Additionally, the Company may require the transmission service customer to pay a deposit or provide other security to ensure costs for planning, licensing and constructing non-customer owned facilities are recoverable in the event the transmission service customer is unable to take transmission service.

B. NON-STANDARD TRANSMISSION FACILITIES

Transmission service customers requesting non-standard facilities will be required to pay all costs associated with those facilities. This provision does not

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apply to facilities related to transmission constraints that the Electric Reliability Council of Texas has otherwise required the Company to construct.

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6.1.4.2 DISCRETIONARY CHARGES OTHER THAN CONSTRUCTION CHARGES

AVAILABILITY

The service charges listed below are in addition to any other charges made under Company's tariff for delivery services, and will be applied for the appropriate condition described. The charges are applicable to all Retail Energy Providers (REPs) served by Company.

RATE

6.1.4.2.1 Facilities Relocation/Removal Charge

The Facilities Relocation/Removal Charge is a fee associated with relocation or removal of Company facilities at the request of and for the benefit of the REP's customer pursuant to the Company's Facilities Extension Policy. The Company may make a fee reflecting actual cost. Actual costs shall include direct labor costs associated with relocating or removal of Company facilities and related indirect costs

Facilities Relocation Removal Charge: As Calculated

6.1.4.2.2 Facilities Location Charge

The **Facilities Location Charge** is a fee to the REP or entity requesting the location for any delivery facilities. A two working day notice is needed for this service. Requests are received through Texas Dig Test. The fee is calculated on an hourly basis.

During Business Hours	\$123.00/hr
Outside Business Hours	\$162.00/hr

6.1.4.2.3 Temporary Facilities Charge

A fee charged to a REP when any construction is required to make the electric service connection to provide temporary service. If no facilities are required to be installed and/or removed in providing this service, then only the appropriate Account Initiation Charge will be charged. The fee schedule is as follows:

- | | |
|---|----------|
| A. Connect or disconnect service and read a meter already installed (includes Account Initiation Charge) | \$111.00 |
| B. Install or remove single phase service and read a meter already installed (includes Account Initiation Charge) | \$376.00 |

As Calculated

- | | |
|--|--|
| C. Install and remove single phase service wires, meter and transformers (up to 50 kVA) on existing pole and read a meter (includes Account Initiation Charge) | |
|--|--|

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D. All other temporary facilities – installation and removal As Calculated

6.1.4.2.4 Return Check or Bank Draft Charge

The Company may apply a handling charge of \$25.00 plus state and local taxes if applicable to a REP's account balance in the event the REP's check or bank draft is returned for insufficient funds.

Return Check or Bank Draft Charge \$25.00 plus state
and local taxes

6.1.4.2.5 Dual Socket Meter Adapter Installation Charge

Fee for installation of a dual socket meter adapter on instrument rated metering facilities to accommodate the Customer's meter. Company maintains ownership of this equipment. Measurements taken from Company's meter will be used to bill REP for non-bypassable charges and for settlement purposes. The fee will be calculated based on the equipment installed and labor and associated overheads.

Dual Socket Meter Adapter Installation Charge: As Calculated

6.1.4.2.6

6.1.4.2.7 Utility Service Switchover Charge

An REP or TDU fee for switching utility service from one TDU to another TDU that has the right to serve the facility and shall be handled pursuant to Public Utility Commission of Texas Substantive Rule §25.27. A Facilities Recovery Charge is comprised of the original cost less depreciation of the plant, less salvage, plus cost of removal of any distribution plant rendered idle and not usable elsewhere on the system by the disconnection of that customer.

Self Contained & Instrument Rated:

Base Charge \$578.86

Facilities Recovery Charge As Calculated

6.1.4.2.8 Miscellaneous Discretionary Service Charge

Fee for discretionary services not covered by the standard conditions above and provided in accordance with Commission Substantive Rules and are charged on the basis of an estimate for the job or the Company's cost plus appropriate adders.

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6.1.4.2.9 Electrical Pulse Equipment Maintenance Charge

Monthly fee for maintenance of electrical pulse devices. This is an optional service that covers repair/replacement of electric pulse equipment. If REP, Customer or energy service provider does not choose this service, REP, Customer or energy service provider is responsible for replacement charges according to discretionary service charge 6.1.3.3.9 B.

Electrical Pulse Equipment Maintenance Charge: \$10

6.1.4.2.10 Advanced Metering Electrical Pulse Equipment Installation/Replacement Charge

Fee for specific requests by Energy end-use Customer, the end-use Customer's Authorized Representative, or the end-use Customer's REP for installation/replacement of electrical pulse device equipment.

A	Installation Charge	\$340.00
B	Replacement Charges:	
	1. Isolation Relay	\$216.00
	2. Pulse Initiator	\$145.00
	3. Isolation Relay & Pulse Initiator	\$270.00
	4. Enclosure Box	\$115.00

6.1.4.2.11 Competitive Energy Charges

Applicability

The service charges listed below are applicable to all Retail Energy Providers (REPs) served by Company and are in addition to any other charges made under Company's tariff for delivery service. The charges below allow the Company to continue to provide these services for the REP's customers in areas where competitive services are not provided in the Company's service territory.

6.1.4.2.11.1 Non Standard Service Equipment Inspection / Testing Charge

Fee for the periodic inspection/testing of delivery facilities installed at the request of the REP to enhance service reliability. The Company may make a charge reflecting the actual costs at \$45.00 per hour. Actual costs include direct labor costs and related indirect costs. An additional charge associated with equipment and materials used to inspect/test the delivery facilities is in addition to the per-hour charge and may be charged by the Company.

Non Standard Equipment Inspection/Testing Charge: \$45.00 / hr plus cost

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6.1.4.2.11.2 Miscellaneous Competitive Energy Charges

Charge for any miscellaneous services performed at the request of the REP, not currently being provided for in the area that the REP is requesting the service. Company charges will be an amount sufficient enough to recover all Company costs

6.1.4.2.12 Competitive Metering Charges

6.1.4.2.12.1 Competitive Meter Installation Service Fee

Fee for the installation of an ERCOT approved meter that is owned by a third-party other than the Company.

Self-Contained Competitive Meter	
Installation Service fee during business hours	\$145.00
Installation Service fee outside business hours	\$215.00
Testing and Programming fee for Meters that fail acceptance testing	\$20.00
Transformer Rated Competitive Meter	
Installation Service fee during business hours	\$180.00
Installation Service fee outside business hours	\$270.00
Testing and Programming fee for Meters that fail acceptance testing	\$25.00

6.1.4.2.12.2 Competitive Meter Removal Service Fee

Fee for the removal of an ERCOT approved meter that is owned by a third party other than the Company.

At request of meter owner – no Company default meter requested	
During Business hours	\$100.00
Outside Business hours	\$150.00

6.1.4.2.12.3 Competitive Meter Physical Access Equipment Installation Service Fee

Fee for the installation of an external termination junction box which utilizes the RJ family of connectors to provide physical access to the modem, network, serial and/or digital pulse data interfaces on a competitive meter.

No Additional Service Call Required (<i>performed during initial meter installation</i>)	\$45.00
Additional Service Call Required (<i>performed after initial meter installation</i>)	\$150.00
Service Available only during business hours.	

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6.1.4.2.13 Additional Service Design

Applicable to requests to prepare iterative designs to provide service to a specific location where such iterations are at the request of the Retail Customer for the Retail Customer's sole benefit. Calculated

6.1.4.2.14 Distributed Generation Meter Installation Fee

Fee for the installation of customer requested metering equipment, pursuant to Substantive Rule §25.213(b), to separately measure customer consumption and the outflow from installed customer owned distributed generation, at the distribution level. As Calculated

6.1.4.2.15 Interval Data Recorder (IDR) Equipment Installation

Applicable to installation, upon request, by Retail Customer or Retail Customer's Competitive Retailer, of Company's "Standard Advanced Metering Equipment" designed to access interval load data via telephone or other mode of transmission agreed to by customer to a central location. Equipment shall be installed within 30 days of receipt of request.

During Normal Business Hours

As Calculated*

NOTICE

This rate schedule is subject to the Company's Tariff and Applicable Legal Authorities.

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6.1.4.3 DISTRIBUTED GENERATION SERVICE

AVAILABILITY

Company shall interconnect distributed generation (DG) as described in P.U.C. Substantive Rules 25.211 and 25.212 and pursuant to the terms of the Agreement for Interconnection and Parallel Operation of Distributed Generation which is incorporated herein.

6.1.4.3.1

APPLICATION FOR INTERCONNECTION

A person seeking interconnection and parallel operation of distributed generation with Company must complete and submit the Application for Interconnection and Parallel Operation of Distributed Generation with the Utility System, which is incorporated herein.

DEFINITIONS

- 1) Non-Peak Hours – will be in accordance with the standard rate schedule that DGS is taken in conjunction with, if applicable.
- 2) Peak Hours – will be in accordance with the standard rate schedule that DGS is taken in conjunction with, if applicable.
- 3) Scheduling Service – a service that establishes specific hourly schedules for the transmission of power, by coordinating the event among affected Control Areas. This service includes set up, modifications, confirmations, implementation, accounting and necessary reporting of the transaction, as well as supporting hardware and software systems for control and tracking of schedules
- 4) Service Study – an on-site analysis used to determine the interconnection requirements and the system voltage for providing parallel service to a customer with DG. The study may vary in scope, but it results in the minimum information for attaching a small DG unit at a particular location on the Company's distribution system. The study may identify further studies needed for the interconnecting of larger DG units to the distribution system. An engineering analysis that determines whether the presence of the DG unit at a particular location would interfere with the protective fusing and relaying on the distribution system may also be required. This study includes an analysis of the DG contribution to power flow, VAR flow, available fault current, effects on switched capacitors and the effects on voltage levels under normal and worst case situations.

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STUDY FEES

No Pre-Interconnection Study Fees will be assessed for DG units up to 500 kW that are pre-certified (as defined pursuant to the Commission DG rules as defined in this tariff), that export no more than 15% of the total load on a single feeder, and contribute no more than 25% of the maximum potential short circuit current on a single feeder.

<u>NON-EXPORTING</u>	<u>0 to 10kW</u>	<u>10+ to 500kW</u>	<u>500+ to 2000kW</u>	<u>2000+ to 10,000kW</u>
1. Pre-certified, not on network				
Study Fee	\$270	\$270	\$ 3,938	\$ 3,938
2. Not pre-certified, not on network				
Study Fee	\$270	\$270	\$ 3,938	\$ 3,938
3. Pre-certified, on-network				
Study Fee	\$270	\$270	\$ 7,055	\$ 7,055
4. Not pre-certified, on network (1)				
Study Fee	\$270	\$270	\$ 7,055	\$ 7,055
<u>EXPORTING</u>	<u>0 to 10kW</u>	<u>10+ to 500kW</u>	<u>500+ to 2000kW</u>	<u>2000+ to 10,000kW</u>
1. Pre-certified, not on network				
Study Fee	\$337	\$337	\$4,275	\$4,275
2. Not pre-certified, not on network				
Study Fee	\$337	\$337	\$4,275	\$4,275
3. Pre-certified, on-network				
Study Fee	\$337	\$337	\$7,392	\$7,392
4. Not pre-certified, on network				
Study Fee	\$337	\$337	\$7,392	\$7,392

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STANDBY/SUPPLEMENTAL SERVICE

Standby Service – will be in accordance with the Company's Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Maintenance Service – will be in accordance the Company's Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Exception for Small Customers

For residential and small commercial DG customers, the contract capacity applicable for the Agreement for Standby Service will be the manufacturer's nameplate rating of the generator. For purposes of this rate schedule, a small commercial DG customer is an entity having either total load or a DG facility of less than 500 kW.

Supplemental

The purchase of supplemental energy is available in accordance with the applicable Residential Service or General Service rate schedule.

TERMS AND CONDITIONS OF SERVICE

The terms and conditions under which interconnection of distributed generation is to be provided are contained in P.U.C. Substantive Rules 25.211 and 25.212 which are incorporated herein by reference. The rules are subject to change from time to time as determined by the Commission, and such changes shall be automatically applicable hereto based upon the effective date of any Commission

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STANDBY/SUPPLEMENTAL SERVICE

Standby Service – will be in accordance with the Company’s Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Maintenance Service – will be in accordance the Company’s Agreement for Standby Service, PUCT Sheet No. 3C-6, except as noted below for small customers.

Exception for Small Customers

For residential and small commercial DG customers, the contract capacity applicable for the Agreement for Standby Service will be the manufacturer’s nameplate rating of the generator. For purposes of this rate schedule, a small commercial DG customer is an entity having either total load or a DG facility of less than 500 kW.

Supplemental

The purchase of supplemental energy is available in accordance with the applicable Residential Service or General Service rate schedule.

TERMS AND CONDITIONS OF SERVICE

The terms and conditions under which interconnection of distributed generation is to be provided are contained in P.U.C. Substantive Rules 25.211 and 25.212 which are incorporated herein by reference. The rules are subject to change from time to time as determined by the Commission, and such changes shall be automatically applicable hereto based upon the effective date of any Commission.

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6.1.4.4 BEHIND THE METER ARRANGEMENT

A. Definitions exclusive to Behind the Meter Arrangement

DELIVERY SERVICE. The service performed by Company pursuant to this Tariff for the Delivery of Electric Power and Energy across Company Delivery System. Delivery Service comprises Delivery System Services and Discretionary Services. The service must include the ability to Install, maintain, replace, read and access to meter, perform load shed interruption, and disconnection of service.

DELIVERY SYSTEM. The electric lines, and other equipment, including transformers, owned by Company and the Meters, including Non-Company Owned Meters, used in the Delivery of Electric Power and Energy.

METER or BILLING METER. A device, or devices, connected via Company Delivery System for measuring the amount of Electric Power and Energy delivered to a particular location for Company billing, CR billing and as required by ERCOT.

B. Exclusive Right to Serve

TNMP holds a Certificate of Convenience and Necessity ("CCN") issued by the Public Utility Commission of Texas ("Commission") authorizing TNMP to provide electric delivery service to retail customers within its certificated service area. No other entity shall provide or cause to provide retail electric delivery service to any end-use customer located within TNMP's certificated territory. TNMP must be able to meter and construct necessary facilities to meet the obligations under this tariff, which includes metering, meter reading, provide disconnect of service, and load shed.

C. Behind-the-Meter and On-Site Generation

1. A customer within TNMP's certificated territory may install on-site or behind-the-meter generation facilities to serve its own load, provided such facilities comply with all applicable Commission rules, including P.U.C. SUBST. R. 25.211–25.217, and all TNMP interconnection, studies, and safety standards.
2. Any behind-the-meter or on-site generation that provides, transmits, or otherwise delivers electric energy to a retail customer other than the owner or lessee of the generation facility shall be considered retail service and is subject to TNMP's exclusive service rights within its certificated area.

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3. Such facilities shall not be interconnected or operated in a manner that bypasses, displaces, or substitutes for TNMP's delivery system in serving retail load within TNMP's certificated territory.

D. Third-Party Transmission or Generation Arrangements

1. No third-party transmission provider, power marketer, or generation may interconnect facilities or deliver electric energy directly to any retail customer within TNMP's certificated area without TNMP's consent.
2. Any arrangement that provides electric power across property lines or between separate premises within TNMP's certificated territory shall be deemed a violation of TNMP's CCN.
3. TNMP reserves the right to refer any such activity to the Commission for investigation and enforcement under PURA §§37.051–37.154.

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6.2 COMPANY SPECIFIC TERMS AND CONDITIONS

6.2.1 DEFINITIONS

NCP [kW][kVA] The [kW][kVA] supplied during the fifteen minute period of maximum use during the billing month.

4CP [kW][kVA] The average of the Retail Customer's integrated 15-minute demands at the time of the monthly ERCOT system 15-minute peak demand for the months of June, July, August and September of the previous calendar year.

6.2.2 STANDARD VOLTAGES

Character of Service

All delivery service furnished shall be of a character known as 60 hertz, alternating current and will be furnished as single or three-phase in accordance with the applicable provisions of the Company's rates in accordance with Section 6.1, RATE SCHEDULES, of this tariff.

Residential Delivery Service

1. Residential delivery service at each Point of Delivery will be furnished at one of the nominal voltages indicated below:
 - (a) 120 volts, 2-wire, single-phase;
 - (b) 120/240 volts, 3-wire, single-phase; or
 - (c) 240/120 volts, 4-wire, three-phase.
2. Unless previously agreed upon, delivery service under the Residential Delivery service rate shall not be used for the operation of individual motors in excess of five horsepower (HP).
3. Three-phase delivery service for residential use will be furnished where existing three-phase secondary lines of adequate capacity are already installed or where such delivery service may be extended as provided in the Residential Delivery service tariff

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and rates in accordance with Section 6.1.2.2, CONSTRUCTION SERVICE CHARGES, of this tariff.

4. Requests for residential service voltages other than listed in this rule shall be considered independently and are subject to availability. Customers requiring other voltages than listed in this rule may be required to provide a non-refundable contribution in accordance with Section 6.1.2.2.
5. In order to obtain delivery service under the Residential Delivery service tariff for an apartment house or single-family house which has been converted or constructed to include separate living quarters for more than one family, separate wiring must be provided for each dwelling unit so that delivery service to each separate living quarters can be metered separately.
6. Where premises are used and occupied by a Retail Customer as a commercial establishment and also as a residence, all delivery service supplied will be billed under the applicable Secondary Service tariff. However, if the Retail Customer so desires, the wiring may be separated (subject to the Company's inspection, and State and Local inspection as required) and each class of delivery service may be metered separately and billed in accordance with the applicable rate schedule.
7. Each separate delivery service or meter location will be metered and billed separately.

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Secondary, Primary, and Transmission Delivery Service

1. Secondary, Primary, and Transmission delivery service may be furnished at one of the nominal voltages indicated below, subject to the limitations of the electrical system in the vicinity and of the applicable rate schedule:

Secondary Voltage	Primary Voltage	Transmission Voltage
120/240, 3-wire, single phase	2400	69000
240, 3-wire, 3-phase	4160Y/2400	138000
240/120, 4-wire, 3-phase	12470y/7200	345000
208Y/120, 4-wire, 3-phase	20780y/12000	
480Y/277, 4-wire, 3-phase	24940Y/14400	
480, 3-wire, 3-phase		

2. Three-phase installations will not be made for single motors of less than three HP name plate rating. Single-phase delivery service may be required for single motors of five HP or less, at option of the Company, depending on existing delivery service facilities. Where three-phase line extensions are required involving expense not justified by estimated revenue, the cost of such special extensions in accordance to SECTION 6.1.2.2 CONSTRUCTION SERVICE CHARGES.
3. All motors above five HP shall be three-phase except where single-phase delivery service only is available or it is impracticable or uneconomical to extend three-phase delivery service. In such cases, the Company reserves the right to permit single-phase motors larger than five HP. The Company reserves the right to require all motors five HP and below to be single-phase where single-phase delivery service only is available or where it is impracticable or uneconomical to furnish three-phase delivery service.
4. The Company may require the installation of an approved starting current, load-limiting device on a Retail Customer's motor if deemed necessary to limit voltage fluctuation or disturbances to the Company's distribution system within acceptable limits.
5. Where delivery service is supplied at more than one delivery service or meter location on the Retail Customer's premises, the Company will bill each delivery service location separately. At its sole option, the Company may serve more than one premise or business through one meter as in the instance where each building or delivery service

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- requirement in a group of buildings under one ownership, management and control is an integral part of, and necessary to, the operation of the institution.
6. Primary or Secondary delivery service shall include commercial delivery service to churches, schools, orphanages, stores, hotels, rooming houses, apartment houses, multiple housing units, motels, trailer courts, restaurants, offices, clubs, theaters, State Agencies and all other establishments that are not otherwise classified in specific rates. Any establishment that acknowledges or advertises itself as carrying on a professional or commercial enterprise will be considered commercial; however, the absence of such acknowledgment or advertisement shall not be considered as conclusively establishing that the delivery service is not commercial.
 7. Delivery service to welders, X-ray machines, electric furnaces, hoists, elevators and other highly intermittent or fluctuating loads shall be considered individually, according to the applicable rates.
 8. In the event a separate delivery service or transformer or additional transformer capacity is required for fluctuating loads, such delivery service shall be provided for in accordance with the applicable rate.
 9. Installations involving special situations will be given individual consideration.
 10. Large loads may be served at primary or transmission voltage as provided by the applicable rate, subject to the limitations of the existing electrical system in the vicinity.
 11. Local zoning requirements, as well as Federal, state and local safety and fire codes, may affect the provision of delivery service by the Company.

Frequency Control

1. Delivery service shall be furnished at nominal 60 hertz alternating current, except as may result from acts of God and other unforeseen causes beyond control of the Company. In the event of variation from a frequency of nominal 60 hertz, the Company will in each case take immediate steps to restore frequency to nominal 60 hertz as soon as reasonably possible. All steps taken will be in accordance with procedures established by and with the Electric Reliability Council of Texas and with procedures established specifically by and for Texas-New Mexico Power Company
 - a. The standard delivery service arrangement for industrial Retail Customers shall consist of a single, radial, three-phase line and associated equipment that shall be

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electrically connected to Company's transmission system. The specific equipment required for such standard delivery service arrangement shall be made at the discretion of Company. Any facilities provided by Company at the request of the industrial Retail Customer that are in addition to those required by the standard delivery service arrangement shall be provided to the Retail Customer under terms to be negotiated with the Company and in accordance with Tariff 6.1.2.2.

6.2.3 ADDITIONAL COMPANY SPECIFIC TERMS AND CONDITION

6.2.3.1 APPLICATION FOR DELIVERY SERVICE

Applications for electric delivery service may be made by contacting the Company's office or by contacting a Competitive Retailer to act as an agent on behalf of the retail customer. Any application, upon acceptance by the Company, shall be non-transferable except when agreed to by the Company and will be considered as a contract covering the supply of one class of delivery service to the Applicant. An Account Initiation Charge in accordance with SECTION 6.1.1.6 OTHER CHARGES, will be made for processing an application for delivery service.

1. Until such time the Company determines that these documents are no longer necessary, all applicants for delivery service are required to sign:
 - (a) The Company's standard Application for Delivery service, and/or
 - (b) Specific Service Agreements, depending on the type of delivery service or contractual obligation, in compliance with the applicable tariffs, may be necessary within the guidelines of the applicable Rules and Regulations.
2. The Applicant shall be required to provide load information on new construction or modifications to existing facilities sufficiently in advance of the actual delivery service requirement date to enable Company to provide adequate delivery service facilities in a timely manner.
3. The Company shall supply delivery service in accordance with the Section 4 & 5.
4. Applicants requiring delivery service to be connected to new construction or newly altered wiring or delivery service equipment may be required to sign a delivery service

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energization permit if there are no ordinances requiring electrical inspections in that location.

5. The Applicant agrees to take the delivery service as provided by the Company and to pay for such delivery service according to the applicable rate, subject to all applicable delivery service rules and commission regulations.

6.2.3.2 REQUIREMENTS OF CONTRACTS

All agreements for delivery service between the Company, Retail Customers and Competitive Retailers will include the following clause:

“This contract, including the applicable tariff, shall at all times be subject to such change or modification by order of the Public Utility Commission of Texas.”

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6.2.3.3 THE COMPANY'S RIGHT TO INGRESS TO AND EGRESS FROM RETAIL CUSTOMER'S PREMISES

By applying for and accepting delivery service from the Company, the Retail Customer agrees to and does thereby provide to the Company such permission, license or right-of-way as may be necessary to allow the Company:

1. the ability to install, maintain, repair, improve or remove Company facilities upon the Retail Customer's property which may be necessary for the provision of delivery service to the Retail Customer;
2. the right of ingress and egress upon and across the Retail Customer's property in order to perform the following functions:
 - a. all the activities set forth in 1. above;
 - b. inspecting, testing, reading or changing its meters;
 - c. installing or removing its meters;
 - d. obtaining correct connected load count;
 - e. measuring demand;

The Company, in retaining such right of ingress and egress, does not assume any duty to inspect the Retail Customer's wiring, machinery, or apparatus, and shall not be responsible therefore. The Retail Customer assumes all responsibility for the electric current upon the Retail Customer's side of the point of delivery, and for the wires, apparatus and appurtenances used in connection therewith.

6.2.3.4 RESPONSIBILITY FOR THE EQUIPMENT USED IN SUPPLYING DELIVERY SERVICE

1. The Company's Responsibilities:

The Company will install one set of delivery service wires together with necessary metering equipment for each Point of Delivery. The equipment will be owned, maintained and controlled by the Company.

2. The Retail Customer's Responsibilities:

- a. The Retail Customer shall provide equipment as specified in the Section 5.10.2.1.

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- b. The Retail Customer or property owner must exercise due care of the protection of the Company's property on the Retail Customer's premises.
3. The Company assumes no responsibility as to wiring, fixtures and equipment on any Retail Customer's premises further than to provide the proper meter and outside delivery service connection from the delivery service main to the first point of attachment on the building or other structure being served, as provided herein. Also, the Retail Customer must notify the Company of any changes in the Retail Customer's connected load, wiring, fixture, and equipment on the Retail Customer's premises or of any changes in the Retail Customer's electrical demand, uses, processes and operations which may occur from time to time and which may, in any way, affect the operations of the Company's system, devices, equipment, delivery service, or delivery of delivery service.
4. The Retail Customer shall install and maintain in good working condition, at all times, adequate protection and protective devices for its electric motors, machinery, processes and other equipment from electrical outages, overload, low voltage, single phasing and similar risks or hazards incident to the use of electricity.
5. The Retail Customer shall use reasonable care in designing and connecting loads to its circuits so that the loads on the individual phases and circuits of the Company's delivery service to the Retail Customer shall be as equally balanced as possible across the various phases.
6. The Retail Customer agrees, by acceptance of delivery service, that no one except the employees of the Company shall be allowed to make an internal or external adjustment of any meter or any other apparatus, which is the property of the Company.

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6.2.3.5 METERING

1. Meters and delivery service switches in conjunction with the meter shall be installed in accordance with the latest revision of the American National Standards Institute Incorporated Standard C 12 (American National Code for Electric Metering) or other standards as may be prescribed by the Commission.
2. Standard metering and metering equipment shall be furnished, installed, owned and maintained by and at the expense of the Company.
3. The Company reserves the right to seal all meter-entrance switches and all delivery service-entrance boxes regardless of ownership where the operation or tampering with such equipment may affect the registration of the meter or use of energy.
4. All meters installed for residential use shall be of the outdoor type. Meters shall be mounted in accordance with Texas-New Mexico Power Company specifications.
5. The Retail Customer shall furnish and install the necessary wiring from the delivery service entrance to the meter.
 - a. The meter socket shall be located so that it is on the outside of the building and meets the provisions of Section 6.2.3.3 (The Company's Right to Ingress to and Egress From the Retail Customer's Premises). In the event a porch or other structure is built so that the meter location is inaccessible, or the meter becomes inaccessible to Company meter readers due to locked gates, the Retail Customer's pets or for any other reason controllable by the Retail Customer and not by the Company, the meter socket and/or delivery service conduit or cable shall be moved to an accessible location at the expense of the Retail Customer. In the alternative, the Company shall have the option of installing a remote meter reading device and billing the Retail Customer the actual installed cost of such device. Whenever the construction of a building on an adjacent lot prevents proper access to the meter or the point of attachment of the delivery service conductor, the Retail Customer shall move the meter and/or the delivery service entrance conductor to a location that will be accessible to the Company's employees.

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- b. The meter socket shall be placed so that the meter can be set and the sealing ring can be installed easily. Should any plaster or abutments be installed after the socket is in place that would interfere with the setting of the meter and the sealing ring, the Retail Customer shall move such socket.
6. Where more than one meter is required for a building such as an apartment house, all of the meter sockets shall be grouped adjacent to each other and must be individually numbered and identified according to apartments. In remodeling, where two separate houses are combined with an addition to form one building, the meter sockets shall be moved to a joint location. In all remodeling where the point of delivery is changed or moved, or any change is made in the wiring, it will be necessary to install outdoor meter sockets.
7. All meters installed for commercial use that do not require current transformers shall be socket-type. The socket shall be installed at a location approved by the Company. The meter sockets shall be mounted in accordance with Texas-New Mexico Power Company specifications. The delivery service switch and cabinet shall be installed as near the point of delivery service entrance as practicable. An outdoor location is preferred for commercial meters, provided the meters will not be subject to damage.
8. Upon notice of a request, the Company will perform additional tests of the accuracy of the Company's meter in accordance with Section 4.7.4.
9. If any meter is found to be outside of the accuracy standards established by the American National Standards Institute, Incorporated, the Company shall make adjustments to and invoice in accordance with Section 4.7.5.

6.2.3.6 DELIVERY SERVICE CONNECTIONS

1. The Company will install one set of delivery service wires and the necessary metering equipment, both of which shall remain its property. The Company will maintain its meter and delivery service wires up to the Point of Delivery on the Retail Customer's structure. It is the Retail Customer's responsibility to install and maintain all other wiring and equipment past the Point of Delivery, including the terminal support for the Company's delivery service wires. In the case of overhead delivery service, the

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- terminal support shall be the point of attachment. For underground delivery services the terminal support shall be the first junction point available on Retail Customer's premises.
2. The Retail Customer will install, own and maintain the delivery service-entrance equipment (type and specifications to be approved by the Company) that shall extend from the Point of Delivery to the Retail Customer's delivery service-entrance switch. This shall include conduit and wires. For all new construction and meter installations, the Retail Customer's delivery service shall leave the meter base, socket or enclosure in one conduit through one set of wires to the main switch or wiring trough. All installations shall, at a minimum, comply with Texas-New Mexico Power Company specifications, the National Electrical Code or appropriate state or municipal electrical codes that have provisions in excess of the National Electrical Code.
 3. Further specifications are as follows:
 - a. In all cases, the Applicant shall consult the Company for the proper location and elevation of the point of attachment and meter. Where the Company's existing delivery service lines are in an alley or along rear lot lines, the delivery service-entrance cap shall be located on the rear or side of the building at a point designated by the Company. The point of attachment must be located at least 10 feet from any Company pole line. Where two poles are located in such a manner that either pole can be used, the delivery service-entrance cap shall be located so that the pole to the rear of the lot on which the building is located can be used in order to prevent delivery service lines from overhanging adjacent properties. When an addition is made to the rear of a building, the Applicant shall extend facilities to the rear of the building.
 - b. Where the Company's existing delivery service lines are in the street or in front of the building, the delivery service-entrance cap shall be located on the front or side of the building at a point designated by the Company.
 - c. Delivery service drops to buildings cannot pass over a roof unless the Applicant makes provisions for the wire to maintain adequate clearances as specified by applicable codes and standards, as a minimum. Delivery service drops will not be run around the corner of any building. The point of attachment shall be placed so that there are no obstructions between it and the Company's facility

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- from which the delivery service is to be run. The maximum length of the delivery service drop from any one pole to the attachment on the building shall depend upon the conductor size, but in no event shall such length exceed distances that will hinder Company's ability to deliver electric within specified guidelines.
- d. The delivery service-entrance cap shall be located so that the distance between it and the delivery service shall be one foot or less. The wire needed to make the connection between the delivery service-entrance cap and the delivery service drop shall be furnished by the Applicant. For new delivery services, such wire shall be left hanging from the cap.
 - e. Secondary delivery service-entrance caps on conduit attached to poles for underground delivery service shall be placed as directed by the Company and in accordance with Company specifications and applicable codes. No meters, switches or attachments, other than the conduit, shall be placed on the pole except at the option of the Company.
 - f. The delivery service-entrance shall be located so that it will not be necessary to install more than one set of attachments on the building being served to support the delivery service wires for each class of delivery service.
 - g. In no event shall an Applicant connect delivery service from the Company to a delivery service from another transmission and distribution provider.
4. When an Applicant desires that electricity be provided to a point of delivery service or in a manner other than that specified by the Company, and the Company agrees to provide such delivery service, a charge will be made equal to the additional cost of providing such delivery service, including all applicable taxes in accordance with Section 6.1.2.2.
 5. Underground Delivery Services
 - a. When delivery service is supplied from an underground residential distribution system, the Applicant will be billed under the applicable approved rate for such delivery service. The Company will provide and install the underground delivery service to the Point of Delivery via the most direct route, as determined by the Company.
 - b. Where the Applicant desires an underground delivery service from the Company's overhead distribution system, the Applicant may be required to pay

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the difference in cost between overhead and underground delivery in accordance with Section 6.1.2.2.

6. The Applicant agrees, by acceptance of delivery service, that no one except the employees of the Company shall be allowed to make an internal or external adjustment of any meter or any other apparatus, which is the property of the Company.

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6.3 AGREEMENTS AND FORMS

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6.3.1 FACILITIES EXTENSION AGREEMENT

**TEXAS-NEW MEXICO POWER COMPANY
ELECTRIC FACILITIES EXTENSION AGREEMENT**

Contract No. _____
Project/Job No. _____
Customer Account No: _____

This Agreement is made by and between Texas-New Mexico Power Company, a Texas Corporation (Company) and _____, hereafter called (Customer) for the extension of Company's Electric Transmission and Distribution System facilities to the following location:

Customer's mailing address is: _____

Customer Has Requested Extension Of Service For The Following: [Check All That Apply]

Standard Electric Facilities for Loads Less Than 12kW

Company will extend its standard electric facilities that it determines are necessary to serve _____ Residential lot(s) or business(es). The character of these facilities is generally identified as _____ volt, _____ phase, alternating current, at 60 hertz, with reasonable variation permitted.

Standard Electric Facilities for Loads Greater Than 12kW

Company will extend its standard electric facilities that it determines are necessary to serve Customer's demand requirement of _____kW ("Threshold kW"). The character of these facilities is generally identified as _____ volt, _____ phase, alternating current, at 60 hertz, with reasonable variation permitted.

Non-Standard Electric Facilities

Company will extend, install, or modify the following non-standard electric facilities:

ARTICLE I. TARIFF

As approved by, and filed with, the Public Utility Commission of Texas (or its successor), the Company's current tariff (Tariff) will apply to this Agreement and for the class of service applicable to Customer's request. Both Company and Customer acknowledge and accept that the Tariff imposes obligations and limitations on both the Company and Customer. This Agreement, including the applicable Tariff, shall at all times be subject to change or modification by regulatory authority or other change in law. A copy of Company's current Tariff may be obtained from Company on request.

ARTICLE II. CUSTOMER PAYMENT AND COMMITMENTS

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Customer will pay a Contribution-In-Aid-Of-Construction (CIAC) to Company of \$_____ as payment for Customer's portion of the facility extension, installation, or modification costs in accordance with Company's Tariff. Per the Tariff the CIAC was calculated based on the following: CIAC = (Project Investment of \$_____ minus Standard Allowance of \$_____) plus Applicable Taxes of \$_____. Such payment is due within 15 days following Company's mailing, first class, _____ an _____ invoice to _____ Customer at: _____ or such other billing address provided to Company by the Customer. Such non-refundable payment will remain the property of the Company.

The Customer will provide, without cost to Company, all rights-of-way (in a form acceptable to Company), permits and suitable space for the installation of poles, wires, transformers, meters, and such other equipment Company deems necessary to enable it to deliver the power and energy herein described.

The Customer will install and maintain in good working condition at all times adequate protection and protective devices for his electric motors and other equipment against overload, low voltage, single-phasing, and similar risks or hazards incident to the use of electricity. The Customer assumes all responsibility for the electric current upon the Customer's side of the point of delivery, and for the wires, apparatus, and appurtenances used in connection therewith. In addition to the terms of the Tariff, Customer will protect and save the Company harmless from all claims for injury or damage to persons or property occurring upon the Customer's side of such point of delivery, occasioned by such electric current or said wire and apparatus, except where said injury or damage shall be shown to have been occasioned solely by the negligence of the Company. In no event shall the Company be responsible for consequential damages whether or not found to have negligently caused injury to Customer.

ARTICLE III. TERM

This Agreement shall expire three (3) years (the "Term") from _____ [Insert Date] (the "Initial Date"). Customer's payment obligations shall survive expiration of this Agreement.

ARTICLE IV. UNDER UTILIZATION CHARGE

A. Based on estimated information provided by the Customer, Company calculated the CIAC amount referenced in Article II above. Such estimated information included, but was not limited to, the Threshold kW and the number of lots or businesses to be built, sold, and occupied. Company will review actual load or the number of lots or businesses at the pertinent location to evaluate the accuracy of the information supplied by Customer. At the end of the Term, the Company will recalculate the CIAC amount if the estimated Threshold kW billing demand for the designated location has not been realized or the estimated number of lots or businesses have not been built, sold, and occupied. The CIAC amount, including applicable taxes, will be recalculated based on the actual kW billing demand achieved or the actual number of lots or businesses built, sold, and occupied at the time of the recalculation. Company may also make such recalculation in the event of a breach during the Term.

B. If Customer does not realize the estimated Threshold kW or the number of estimated lots or businesses are not built, sold, and occupied, Customer will pay Company an amount (the "Under Utilization Charge") equal to the difference between the CIAC amount paid under Article I and the amount of any recalculated CIAC, including any applicable taxes, determined under the preceding Subparagraph A of Article IV. Customer shall pay any such Under Utilization Charge within 15 days after Company deposits an invoice for such amount, addressed to Customer, in the U.S. mail.

C. Article IV only applies to standard electrical facilities.

ARTICLE V. GENERAL PROVISION

Customer understands and agrees that Company shall retain title to, own, and control all electric facilities up to the point of delivery that are extended, installed, or modified under this Agreement. Company may use any such facilities to serve other customers when Company determines that it is feasible to do so. Customer also understands that the delivery of service is not governed by

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this Agreement, but the delivery of electricity procured by customer will be provided in accordance with Company's Tariff and any subsequent amendments thereto. Customer understands that Company is not a generator, power marketer, or retail electric provider and therefore Company will not procure, generate, or supply power to Customer. Customer accepts responsibility for selecting, enrolling and contracting with a retail electric provider of Customer's choice. The Company does not assume any responsibility associated with Customer's equipment used or the methods employed for the installation and/or maintenance thereof.

This Agreement supersedes all prior agreements between the Company and the Customer for service mentioned herein and all representations, promises or other inducements, written or verbal, made with respect to the matters herein contained. This Agreement shall not be assignable by Customer without the written consent of the Company. This Agreement is not binding upon Company until executed by one of its authorized representatives.

ARTICLE VI. SECURITY

In accordance with the Company's Tariff, Customer must furnish surety in the amount of \$_____ in a form acceptable to Company. The amount of the surety shall be equal to the Standard Allowance used to calculate the initial CIAC. The surety instrument may be a bond, letter of credit ("LOC") or other security acceptable to Company and shall survive the expiration of this Agreement. Such surety instrument must be for a term of 48 months (the "Security Term") from the Initial Date. Company may, but is not required to, accept a LOC of a shorter term provided that such LOC is renewed annually for the length of the Security Term. If a LOC or other security instrument is terminated, canceled or withdrawn, or if Company receives notice that the LOC or other security instrument will not be renewed, the Customer will be considered to be in immediate breach. In addition to any other remedies permitted at law, Company may recalculate the CIAC amount, including applicable taxes, as set forth in Article IV as of the date of breach. Any difference between the initial CIAC and the revised CIAC, including applicable taxes, will be due within 15 days of Company's mailing of an invoice to Customer as described in Article IV. Thereafter, Company may execute or draw on said LOC or other surety prior to the expiration of such LOC/surety and/or the Agreement. Any surety instrument/LOC shall be non-cancelable; however, the face amount of the instrument may be reduced each year when approved by the Company. The surety instrument/LOC may not be replaced with other surety without consent of the Company.

ARTICLE VII. FORCE MAJEURE

The Company shall not be liable for damages occasioned by interruptions or failure to commence delivery or unsatisfactory service caused by an Act of God or the public enemy, inevitable accidents, fire, explosions, strikes, riots, war, delay in receiving shipments of required material, order of any court or judge granted in any bona fide adverse legal proceedings or action, or any order of any commission or tribunal having jurisdiction in the premises; or, without limitation by the preceding enumeration, any other act or thing reasonably beyond its control or incident to interruptions necessary for repairs or changes in the Company's generating equipment, lines or other electric facilities.

ARTICLE VIII. SPECIAL PROVISIONS

CUSTOMER

TEXAS-NEW MEXICO POWER COMPANY

By _____

By _____

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Title _____
Date _____

Title _____
Date _____

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1. Customer understands that, as a result of the installation provided for in this Agreement, the Delivery of Electric Power and Energy by Company to the specified location will be provided in accordance with Rate Schedule _____, which may from time to time be amended or succeeded.
2. This Agreement supersedes all previous agreements or representations, either written or oral, between Company and Customer made with respect to the matters herein contained, and when duly executed constitutes the agreement between the parties hereto and is not binding upon Company unless and until signed by one of its duly authorized representatives.
3. The services covered by this Agreement will be provided by Company, and accepted by Customer, in accordance with applicable Public Utility Commission of Texas ("PUC") Substantive Rules and Company's Tariff for Retail Delivery Service (including the Service Regulations contained therein), as it may from time to time be fixed and approved by the PUC ("Company's Retail Delivery Tariff"). Company's Retail Delivery Tariff is part of this Agreement to the same extent as if fully set out herein. Unless otherwise expressly stated in this Agreement, the terms used herein have the meanings ascribed thereto in Company's Retail Delivery Tariff.
4. This Agreement may be amended only upon mutual agreement of the parties, which amendment will not be effective until reduced to writing and executed by the parties. Changes to applicable PUC Substantive Rules and Company's Retail Delivery Tariff are applicable to this Agreement upon their effective date and do not require an amendment of this Agreement.
5. The failure of a party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the parties.
6. Customer may not assign the Agreement without Company's prior written consent.
7. This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to all valid, applicable federal, state, and local laws, ordinances, and rules and regulations of duly constituted regulatory authorities having jurisdiction.

ARTICLE V - OTHER SPECIAL CONDITIONS

ACCEPTED BY COMPANY:

ACCEPTED BY CUSTOMER:

Signature

Signature

Name

Name

Title

Title

Date Signed

Date Signed

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**6.3.3 INTERCONNECTION AND PARALLEL OPERATION OF DISTRIBUTED
GENERATION**

Company shall interconnect distributed generation pursuant to Public Utility Commission of Texas Substantive Rules 25.211 and 25.212.

A customer seeking interconnection and parallel operation of distributed generation with Company must complete and submit the Application for Interconnection and Parallel Operation of Distributed Generation with the Utility System.

**Prescribed Form for the Application for Interconnection and Parallel Operation of
Distributed Generation**

Customers seeking to interconnect distributed generation with the utility system will complete and file with the company the following Application for Parallel Operation:

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**AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION
OF DISTRIBUTED GENERATION**

This Interconnection Agreement (“Agreement”) is made and entered into this _____ day of _____, _____, by _____, (“Company”), and _____ (“Customer”), a _____ [specify whether an individual or a corporation, and if a corporation, name state, municipal corporation, cooperative corporation, or other], each hereinafter sometimes referred to individually as “Party” or both referred to collectively as the “Parties.”

Place a check mark in the applicable space or spaces below to indicate the type of entity entering into this Agreement:

___ **Option 1:** For purposes of this Agreement, the end-use customer will act as a Party to this Agreement.

___ **Option 2:** For purposes of this Agreement, the entity other than the end-use customer that owns the distributed generation facility (also referred to as “Generator”) will act as a Party to this Agreement.

___ **Option 3:** For purposes of this Agreement, the entity other than the end-use customer that owns the premises upon which the distributed generation Facility will be located (also referred to as “Premises Owner”) will act as a Party to this Agreement.

___ **Option 4:** For purposes of this Agreement, an entity who by contract is assigned ownership rights to energy produced from distributed renewable generation located at the premises of the end-use customer on the end-use customer’s side of the meter, will act as a Party to this Agreement.

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Notwithstanding any other provision herein, the entity referred to as “Customer” herein shall refer to the entity defined in the option selected above by the end-use customer.

If any option other than Option 1 as outlined above is selected, the end-use customer must sign, print his or her name, and date the affirmation in the End-Use Customer Affirmation Schedule attached to this Agreement.

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. **Scope of Agreement** -- This Agreement is applicable to conditions under which Company and Customer agree that one or more generating facility or facilities of ten megawatts or less and related interconnecting facilities to be interconnected at less than 60 kilovolts (“Facilities”) may be interconnected to Company’s facilities, as described in Exhibit A. If Customer is not the end-use customer, Customer affirms that the end-use customer has approved of the design and location of the Facilities.

2. **Establishment of Point(s) of Interconnection** -- Company and Customer agree to interconnect Facilities at the locations specified in this Agreement, in accordance with Public Utility Commission of Texas (“Commission”) Substantive Rules §25.211, relating to interconnection of distributed generation, and §25.212, relating to technical requirements for interconnection and parallel operation of on-site distributed generation (16 Texas Administrative Code §25.211 and §25.212) (the “Rules”) or any successor rule addressing distributed generation and as described in the attached Exhibit A (the “Point(s) of Interconnection”).

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3. **Responsibilities of Company and Customer** -- Customer shall, at its own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for, Facilities specified on Exhibit A. Customer shall conduct operations of Facilities in compliance with all aspects of the Rules, and Company shall conduct operations on its facilities in compliance with all aspects of the Rules, and as further described and mutually agreed to in the applicable Facility Schedule. Maintenance of Facilities shall be performed in accordance with the applicable manufacturer's recommended maintenance schedule. Customer agrees to cause Facilities to be constructed in accordance with specifications equal to or greater than those provided by the National Electrical Safety Code, approved by the American National Standards Institute, in effect at the time of construction.

Each Party covenants and agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of, facilities on its side of the point of common coupling so as to reasonably minimize the likelihood of a disturbance, originating in the facilities of one Party, affecting or impairing the facilities of the other Party, or other facilities with which Company is interconnected.

Company shall notify Customer if there is evidence that operation of Facilities causes disruption or deterioration of service to other utility customers or if the operation of Facilities causes damage to Company's facilities or other facilities with which Company is interconnected. Company and Customer shall work cooperatively and promptly to resolve the problem.

Customer shall notify Company of any emergency or hazardous condition or occurrence with Facilities which could affect safe operation of Company's facilities or other facilities with which Company is interconnected.

Customer shall provide Company at least 14 days' written notice of a change in ownership; any circumstances necessitating a change in the person who is the Customer to this Agreement; or cessation of operations of one or more Facilities. Upon notice by Customer of circumstances necessitating a change in the person who is the Customer to this Agreement, Company shall

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undertake in a reasonably expeditious manner entry of a new Agreement with the change in person who is the Customer.

4. Limitation of Liability and Indemnification

- a. Notwithstanding any other provision in this Agreement, with respect to Company's provision of electric service to the end-use customer other than the interconnections service addressed by this Agreement, Company's liability to the end-use customer shall be limited as set forth in _____ of Company's Commission-approved tariffs, which are incorporated herein by reference.*
- b. Neither Company nor Customer shall be liable to the other for damages for anything that is beyond such Party's control, including an act of God, labor disturbance, act of a public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, a curtailment, order, or regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, or the making of necessary repairs upon the property or equipment of either party.*
- c. Notwithstanding Paragraph 4.b of this Agreement, Company shall assume all liability for and shall indemnify Customer for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Company's negligence in connection with the design, construction, or operation of its Facilities as described on Exhibit A; provided, however, that Company shall have no obligation to indemnify Customer for claims brought by claimants who cannot recover directly from Company. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Customer's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third person; (c) damages related to the death or injury of a third person; (d) damages to the property of Customer; (e) damages to the property of a third person; (f)*

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damages for the disruption of the business of a third person. In no event shall Company be liable for consequential, special, incidental, or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Company does not assume liability for any costs for damages arising from the disruption of the business of Customer or for Customer's costs and expenses of prosecuting or defending an action or claim against Company. This paragraph does not create a liability on the part of Company to Customer or a third person, but requires indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing.

d. Please check the appropriate box.

Person Other than a Federal Agency

Notwithstanding Paragraph 4.b of this Agreement, Customer shall assume all liability for and shall indemnify Company for any claims, losses, costs, and expenses of any kind or character to the extent that they result from Customer's negligence in connection with the design, construction, or operation of Facilities as described on Exhibit A; provided, however, that Customer shall have no obligation to indemnify Company for claims brought by claimants who cannot recover directly from Customer. Such indemnity shall include, but is not limited to, financial responsibility for: (a) Company's monetary losses; (b) reasonable costs and expenses of defending an action or claim made by a third person; (c) damages related to the death or injury of a third person; (d) damages to the property of Company; (e) damages to the property of a third person; (f) damages for the disruption of the business of a third person. In no event shall Customer be liable for consequential, special, incidental, or punitive damages, including, without limitation, loss of profits, loss of revenue, or loss of production. The Customer does not assume liability for any costs for damages arising from the disruption of the business of Company or for Company's costs and expenses of prosecuting or defending an action or claim against Customer. This paragraph does not create a liability on the part of Customer to Company or a third person, but requires

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indemnification where such liability exists. The limitations of liability provided in this paragraph do not apply in cases of gross negligence or intentional wrongdoing. This paragraph applies to a state or local entity to the extent permitted by the constitution and laws of the State of Texas.

Federal Agency

Notwithstanding Paragraph 4.b of this Agreement, the liability, if any, of Customer relating to this Agreement, for injury or loss of property, or personal injury or death shall be governed exclusively by the provisions of the Federal Tort Claims Act (28 U.S.C. §§ 1346, and 2671-2680). Subject to applicable federal, state, and local laws, each Party's liability to the other for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Agreement shall be limited to the amount of direct damages actually incurred, and in no event shall either Party be liable to the other for any indirect, special, consequential, or punitive damages.

e. Company and Customer shall each be responsible for the safe installation, maintenance, repair, and condition of their respective facilities on their respective sides of the Points of Interconnection. Company does not assume any duty of inspecting Customer's Facilities.

f. For the mutual protection of Customer and Company, only with Company prior authorizations are the connections between Company's service wires and Customer's service entrance conductors to be energized.

5. Right of Access, Equipment Installation, Removal & Inspection -- Upon reasonable notice, Company may send a qualified person to the premises where the Facilities are located at or immediately before the time Facilities first produce energy to inspect the interconnection, and

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observe Facilities' commissioning (including any testing), startup, and operation for a period of up to three days after initial startup of Facilities.

Following the initial inspection process described above, at reasonable hours, and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Company shall have access to the premises where the Facilities are located for any reasonable purpose in connection with the performance of the obligations imposed on it by this Agreement or if necessary to meet its legal obligation to provide service to its customers.

Customer warrants it has, or has obtained from other entities, all necessary rights to provide Company with access to the premises and Facilities, as necessary or appropriate for Company to exercise its rights under this Agreement and the Rules.

6. Disconnection of Facilities -- Customer retains the option to disconnect from Company's facilities. Customer shall notify Company of its intent to disconnect by giving Company at least thirty days' written notice. Such disconnection shall not be a termination of this Agreement unless Customer exercises rights under Section 7.

Customer shall disconnect Facilities from Company's facilities upon the effective date of any termination under Section 7.

Subject to Commission Rule, for routine maintenance and repairs of Company's facilities, Company shall provide Customer with seven business days' notice of service interruption.

Company shall have the right to suspend service in cases where continuance of service to Customer will endanger persons or property. During the forced outage of Company's facilities serving Customer, Company shall have the right to suspend service to effect immediate repairs of Company's facilities, but Company shall use its best efforts to provide Customer with reasonable prior notice.

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7. **Effective Term and Termination Rights** -- This Agreement becomes effective when executed by both Parties and shall continue in effect until terminated. The Agreement may be terminated for the following reasons: (a) Customer may terminate this Agreement at any time, by giving Company sixty days' written notice; (b) Company may terminate upon failure by Customer to generate energy from Facilities in parallel with Company's facilities within twelve months after completion of the interconnection; (c) either Party may terminate by giving the other Party at least sixty days' written notice that the other Party is in default of any of the material terms and conditions of the Agreement, so long as the notice specifies the basis for termination and there is reasonable opportunity to cure the default; or (d) Company may terminate by giving Customer at least sixty days' written notice if possible in the event that there is a material change in an applicable rule or statute that necessitates termination of this Agreement.

8. **Governing Law and Regulatory Authority** -- *Please check the appropriate box.*

Customer acknowledges agreements other than this Agreement relating to the Facilities between Customer and other entities that do not involve the Company may not be subject to the jurisdiction of the Commission.

- Person Other Than a Federal Agency:** This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the Parties' obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.
- Federal Agency:** This Agreement was executed in the State of Texas and, to the extent not inconsistent with all applicable federal law (including, but not limited to: (a) the Anti-Deficiency Acts, 31 USC §§1341, 1342 and 1501-1519; (b) the Tort Claims Act, 28 USC Chapter 171, §§2671-2680, and 28 CFR Part 14; and (c) the Contract Disputes Act of 1978, as

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amended, 41 USC §§601-613), must in all respects be governed by, interpreted, construed, and enforced in accordance with the laws thereof. This Agreement is subject to, and the Parties' obligations hereunder include, operating in full compliance with all valid, applicable federal, state, and local laws or ordinances, and all applicable rules, regulations, orders of, and tariffs approved by, duly constituted regulatory authorities having jurisdiction.

9. **Amendment** -- This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties.

10. **Entirety of Agreement and Prior Agreements Superseded** -- This Agreement, including the attached Exhibit A and Facility Schedules, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the interconnection of the facilities of the Parties at the Points of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces all prior agreements and undertakings, oral or written, between the Parties with regard to the subject matter hereof, including without limitation _____ [specify any prior agreements being superseded], and all such agreements and undertakings are agreed by the Parties to no longer be of any force or effect. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement.

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11. **Written Notices** -- Written notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, to:

Texas-New Mexico Power Company
Attention: Vincent Herrera
815 Office Park Circle
Lewisville TX 75067

(a) If to Company:

(b) If to Customer:

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other, notwithstanding Section 10.

12. **Invoicing and Payment** -- Invoicing and payment terms for services associated with this agreement shall be consistent with applicable Substantive Rules of the Commission.

13. **Disclosure of Information to End-Use Customer** -- If Customer is not the end-use customer, Company is hereby authorized to provide any information requested by the end-use customer concerning the Facility.

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14. **No Third-Party Beneficiaries** -- This Agreement is not intended to and does not create rights, remedies, or benefits of any character whatsoever in favor of any persons, corporations, associations, or entities other than the Parties, and the obligations herein assumed are solely for the use and benefit of the Parties, their successors in interest and, where permitted, their assigns.

15. **No Waiver** -- The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.

16. **Headings** -- The descriptive headings of the various parts of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.

17. **Multiple Counterparts** -- This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

TNMP

[CUSTOMER NAME]

BY: _____

BY: _____

PRINTED NAME

PRINTED NAME

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

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**AGREEMENT FOR INTERCONNECTION AND PARALLEL OPERATION
OF DISTRIBUTED GENERATION**

EXHIBIT A

LIST OF FACILITY SCHEDULES AND POINTS OF INTERCONNECTION

Facility Schedule No.

Name of Point of Interconnection

[Insert Facility Schedule number and name for each Point of Interconnection]

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FACILITY SCHEDULE NO.

[The following information is to be specified for each Point of Interconnection, if applicable.]

1. Customer Name:

2. Premises Owner Name:

3. Facility location:

4. Delivery voltage:

5. Metering (voltage, location, losses adjustment due to metering location, and other):

6. Normal Operation of Interconnection:

7. One line diagram attached (check one): _____ Yes / _____ No

If Yes, then the one-line drawing should show the most current drawing(s) available as of the signing of this Schedule. Company and Customer agree drawing(s) may be updated to meet as-built or design changes that occur during construction. Customer understands and agrees that any changes that substantially affect the protective or functional requirements required by the Company will need to be reviewed and accepted by Company.

8. Equipment to be furnished by Company:

(This section is intended to generally describe equipment to be furnished by Company to effectuate the interconnection and may not be a complete list of necessary equipment.)

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9. Equipment to be furnished by Customer:

(This section is intended to describe equipment to be furnished by Customer to effectuate the interconnection and may not be a complete list of necessary equipment.)

10. Cost Responsibility and Ownership and Control of Company Facilities:

Unless otherwise agreed or prescribed by applicable regulatory requirements or other law, any payments received by Company from Customer will remain the property of Company. Company shall at all times have title and complete ownership and control over facilities installed by Company.

11. Modifications to Customer Facilities.

Customer understands and agrees that, before making any modifications to its Facilities that substantially affect the protective or interconnection parameters or requirements used in the interconnection process (including in an Pre-interconnection Study performed by Company), Customer will both notify Company of, and receive approval by Company for, such modifications. Customer further understands and agrees that, if required pursuant to Commission Substantive Rule §25.211(m)(5), it will submit a new Application for Interconnection and Parallel Operation request for the desired modifications.

12. Supplemental terms and conditions attached (check one): _____ Yes / _____ No

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END-USE CUSTOMER AFFIRMATION SCHEDULE

The end-use customer selecting the entity who owns the DG facility (the DG owner or Option 2 entity), the owner of the premises at which the DG facility is located (premises owner or Option 3 entity), or the person who by contract is assigned ownership rights to energy produced by the DG facility (Option 4 entity) to act as Customer and Party to the Interconnection Agreement must sign and date the consent below.

“I affirm that I am the end-use customer for the distributed generation facility addressed in Facility Schedule No. __[insert applicable number] in the Interconnection Agreement between TNMP and _____[insert name of Customer], and that I have selected _____ [insert name of Customer] or successor in interest to act as Customer and a Party to this Interconnection Agreement rather than me.

I acknowledge that the agreements that I have with _____[insert name of Customer] relating to the distributed generation facility addressed in Facility Schedule No. __[insert applicable number] may not be subject to the jurisdiction of the Public Utility Commission of Texas.”

[END-USE CUSTOMER NAME]

SIGNATURE: _____

DATE: _____

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Grantor herein reserves the right to use the Easement described herein for all purposes except as herein restricted, subject, however, to the rights granted herein to Grantee. Grantor agrees to maintain minimum horizontal and vertical clearances between structures Grantor owns which are constructed after the effective date of this Easement and the nearest electric line of Grantee within this Easement. Horizontal and vertical clearances shall comply with the National Electric Safety Code, and state or local ordinances, as currently in effect or as amended from time to time. Grantor shall not use this Easement for the growing of trees or of any other vegetation which, in the opinion of Grantee, may interfere with the construction, maintenance, operation, efficiency, or safety of the electric line.

Grantee, in addition to any other rights herein granted, shall have the right of ingress and egress to or from said Easement for the purpose of constructing, reconstructing, operating, inspecting, patrolling, maintaining, adding to, replacing, and removing the electric line or lines and all associated facilities; the right to relocate along the same general direction of said line or lines within this Easement; the right to remove from this Easement all trees and vegetation (wild or cultivated) and parts thereof (including overhang from trees and vegetation growing outside this Easement) which, in the opinion of Grantee, endanger or which may interfere with the construction, maintenance, operation, efficiency, or safety of the electric line or lines and associated facilities; and the right to exercise all other rights granted in this Easement.

All covenants of Grantor in this Easement shall be binding on Grantor's heirs and assigns, and shall be covenants running with the land described herein.

TO HAVE AND TO HOLD the above-described Easement and rights unto Grantee, its successors, and assigns, until said Easement shall be abandoned.

SIGNED this _____ day of _____, 20__.

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ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, as attorney-in-fact on behalf of _____.

My Commission Expires:

Notary Public

(Type or print name of Notary)

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Grantor herein reserves the right to use the Easement described herein for all purposes except as herein restricted, subject, however, to the rights granted herein to Grantee. Grantor agrees to maintain minimum horizontal and vertical clearances between structures Grantor owns which are constructed after the effective date of this Easement and the nearest electric line of Grantee within this Easement. Horizontal and vertical clearances shall comply with the National Electric Safety Code, and state or local ordinances, as currently in effect or as amended from time to time. Grantor shall not use this Easement for the growing of trees or of any other vegetation which, in the opinion of Grantee, may interfere with the construction, maintenance, operation, efficiency, or safety of the electric line.

Grantee, in addition to any other rights herein granted, shall have the right of ingress and egress to or from said Easement for the purpose of constructing, reconstructing, operating, inspecting, patrolling, maintaining, adding to, replacing, and removing the electric line or lines and all associated facilities; the right to relocate along the same general direction of said line or lines within this Easement; the right to remove from this Easement all trees and vegetation (wild or cultivated) and parts thereof (including overhang from trees and vegetation growing outside this Easement) which, in the opinion of Grantee, endanger or which may interfere with the construction, maintenance, operation, efficiency, or safety of the electric line or lines and associated facilities; and the right to exercise all other rights granted in this Easement.

All covenants of Grantor in this Easement shall be binding on Grantor's heirs and assigns, and shall be covenants running with the land described herein.

TO HAVE AND TO HOLD the above-described Easement and rights unto Grantee, its successors, and assigns, until said Easement shall be abandoned.

SIGNED this _____ day of _____, 20__.

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ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____.

My Commission Expires: _____
Notary Public

(Type or print name of Notary)

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, as attorney-in-fact on behalf of _____.

My Commission Expires: _____
Notary Public

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(Type or print name of Notary)

ACKNOWLEDGEMENT

STATE OF _____ §
§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of _____, 199____, by _____, _____ of _____, a _____ corporation, on behalf of said corporation.

My Commission Expires: _____
Notary Public

(Type or print name of Notary)

ACKNOWLEDGEMENT

STATE OF _____ §
§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this ____ day of _____, 199____, by _____, _____ partner(s) of _____, on behalf of said partnership.

My Commission Expires: _____
Notary Public

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(Type or print name of Notary)

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

I, _____, hereby certify that the foregoing written instrument was filed in my office for record on the _____ day of _____, 20__, at ____ o'clock __.m. and duly recorded by me on the _____ day of _____, 20__, in Vol. _____, Page _____, of the Deed Records of said County.

Given under my hand and seal of office the day and year last above written.

County Clerk _____ County _____

By: _____, Deputy

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6.3.4.2 AGREEMENT AND TERMS AND CONDITIONS FOR PULSE METERING EQUIPMENT INSTALLATION

Texas-New Mexico Power Company ("Company") and _____ [an Electric Power and Energy end-user; the written authorized representative of _____, an Electric Power and Energy end-user; or a retail electric provider for _____, an Electric Power and Energy end-user] ("Customer") hereby agree that the provision of Pulse Metering Equipment will be governed by the Company's Tariff for Retail Delivery Service and this Agreement and Terms and Conditions for Pulse Metering Equipment Installation ("Agreement").

Upon the request of Customer, Company shall install, maintain, repair, replace, or remove Pulse Metering Equipment located at Company's Meter used for billing Delivery System Services in accordance with the following terms and conditions:

1. Company shall install Pulse Metering Equipment, including: pulse initiator, as needed; external protective devices, as needed; junction box as needed; and necessary wiring and related materials and supplies up to a point for Customer's interconnection.
2. Customer shall be responsible for the installation and maintenance of all wiring and equipment on Customer's side of the point of interconnection with Company's Pulse Metering Equipment.
3. Customer agrees that Company is not obligated to alter or adjust any meter reading based on the equipment that Customer installs to receive the Electrical Pulses provided for herein and that Company in no way guarantees that Customer's equipment will operate satisfactorily.
4. Company shall charge and Customer shall pay (i) the installation charge as set forth in Company's Tariff for Retail Delivery Service, or if there is no such charge, (ii) the difference in costs, if any, between the existing meter (or the standard meter if no meter is currently installed) and the cost of an advanced meter that meets Customer's requirements, or (iii) the actual cost of the installation requirements, which includes the actual cost of equipment, labor, and overheads necessary to provide pulse access, or (iv) an engineering estimate

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thereof. Customer shall remit payment to Company for the costs incurred under this paragraph by the due date shown on Company's invoice.

5. Only Company or Company's authorized representatives shall install, maintain, repair, replace, or remove Pulse Metering Equipment. Company shall normally complete installation or removal of such equipment within thirty (30) days from the date request is made in accordance with Section 10. Normal installation times may be impacted by equipment availability or other factors beyond the reasonable control of Company. If Company determines that the installation time may exceed thirty (30) days, Company shall provide notice to customer pursuant to section 11 of this agreement. Company shall provide notice to Customer's contact person as set forth in section 11 of this Agreement when Pulse Metering Equipment installation is complete, including pulse multipliers for the meter so that pulse data can be interpreted.
6. Company shall maintain, repair, or replace Pulse Metering Equipment installed hereunder, if and to the extent that such work is necessary to maintain the pulse access desired by Customer. If applicable, a charge for maintenance shall be optional, with Customer having the option whether to pay a monthly maintenance fee, rather than the cost of repair or replacement should such become necessary to maintain the pulse access desired by Customer. Company shall charge and Customer shall pay (i) the replacement charge, (ii) the actual cost of all required repairs/replacement, or (iii) an engineering estimate thereof.

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Company shall repair or replace only such Company equipment as requires repair or replacement.

7. If an isolation relay is used, under no circumstances shall Customer modify or interrupt the operation of Company's relay and associated wiring.
8. Company shall have the right to interrupt the pulse circuit in accordance with the provisions of the Company's tariff for Retail Delivery Service.
9. This Agreement may be amended, revised, or otherwise changed only by an appropriate order of an Applicable Legal Authority.
10. All requests for Pulse Metering Equipment shall be in writing and must include the following information:
 - (a) Customer name;
 - (b) Letter of authorization if Customer is other than an Electric Power and Energy end-user;
 - (c) Customer's authorized representative contact name, if applicable;
 - (d) Customer's authorized representative contact phone number, if applicable;
 - (e) ESI ID (if available);
 - (f) Service address (including City and zip code);
 - (g) Pulse data requested e.g. watt-hour, time, var-hour;
 - (h) Billing/Invoice Information, including:
Responsible Party; Billing Address; and
 - (i) If Customer is not the owner of the premises upon which Pulse Metering Equipment will be located, Customer shall represent that Company is fully authorized to enter the

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premises and to perform any reasonable effort necessary to install, maintain, repair, replace, or remove Pulse Metering Equipment.

11. All communications necessary in the administration and execution of this Agreement may be effectuated by contacting Company and Customer at the addresses and telephone numbers set forth below:

FOR COMPANY:

Contact: _____

Address: _____

Email: _____

Phone Number: _____

Fax Number: _____

FOR CUSTOMER:

Contact: _____

Address: _____

Email: _____

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Phone Number: _____

Fax Number: _____

Either party may change the preceding designation by providing the other party with no less than thirty (30) days advanced notification of such change.

12. Except as expressly provided by this Agreement, no provisions of this Agreement shall revise, alter, modify, or amend Company's Tariff for Retail Delivery Service.
13. This Agreement shall commence upon the date of execution by both Parties (the "Effective Date") and shall terminate (a) upon mutual agreement of the Parties, or (b) written notification by Customer to Company that it requests to terminate this Agreement; or (c) upon the effective date of a new agreement between the Parties.
14. Termination of this Agreement, for any reason, shall not relieve Company or Customer of any obligation accrued or accruing prior to such termination.
15. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

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Company (insert name) Texas-New Mexico Power Company

(legal signature) _____

(date) _____

Customer (insert name) _____

(legal signature) _____

(date) _____

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6.3.4.3 AGREEMENT FOR METER OWNERSHIP AND/OR ACCESS FOR NON-COMPANY OWNED METERS

ESI ID:

(If this Agreement applies to multiple ESI Ms, the ESI Ms are listed on an Attachment that identifies the appropriate premise address for each ESI ID.)

_____ ("Company") and _____ ("Retail Customer") hereby agree that this Agreement for Meter Ownership and/or Access for Non-Company Owned Meters ("Agreement"), as well as Company's Tariff for Retail Delivery Service ("Tariff") and Applicable Legal Authorities, will govern Retail Customer's utilization of Non-Company Owned Meter(s), and Retail Customer's physical access to Non-Company Owned Meter(s) to obtain Meter Data at the ESI ID(s) specified above. All defined terms used herein will have the meanings specified in the Tariff, except as otherwise expressly provided in this Agreement.

This Agreement may be executed by a written authorized representative/agent ("Retail Customer's Agent"), acting on behalf of the Retail Customer pursuant to an executed Letter of Agency ("LOA") delivered to Company. Termination of the agency authority of Retail Customer's Agent will become effective as to this Agreement upon Company's receipt of written notice of such termination from the Retail Customer. A change in Retail Customer's Agent will become effective as to this Agreement only upon the Company's receipt of a new LOA designating a new Retail Customer's Agent, in which event Retail Customer is also responsible for promptly providing Company with the contact information for the new Retail Customer's Agent required under Section C of this Agreement. Retail Customer shall ensure that Retail Customer's Agent

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complies with this Agreement, the other applicable provisions of the Tariff, and Applicable Legal Authorities.

If Retail Customer is not the owner of the premises where the Non-Company Owned Meter(s) will be installed, Retail Customer represents that Company is fully authorized to enter the

premises and perform any reasonable effort necessary to install, maintain, repair, replace, or remove the Non Company Owned Meter(s).

A. UTILIZATION OF NON-COMPANY OWNED METER

- (1) **Meter Owner.** Retail Customer has selected and authorized _____
to be the Meter Owner of the Non-Company Owned Meter(s) at the ESI ID(s)
specified above. A change in Meter Owner will become effective only upon a written
amendment of this Agreement.

- (2) **Non-Company Owned Meter.** The Non-Company Owned Meter(s) selected from
the ERCOT approved competitive meter list that will be installed pursuant to this
Agreement is/are _____ (i.e., meter manufacturer and type). Any
credit to the Delivery Charges invoiced to the Retail Customer's Competitive
Retailer for the utilization of Non-Company Owned Meter(s) shall be as provided in
Section 6.1 - Rate Schedules of Company's Tariff

- (3) **Metering Services.** Company shall provide as defined in PUC Substantive Rule
25.311(b)(5), (as the same may be changed from time to time by the Commission),
excluding Meter ownership, to Retail Customer utilizing Non-Company Owned

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Meter(s). Charges may apply to these Metering Services as provided in Section 6.1
- Rate Schedules of Company's Tariff

- (4) Requests for Metering Services.** Requests for Metering Services, including installation or removal of Non-Company Owned Meter(s), shall be made in accordance with Company's Tariff and Applicable Legal Authorities.
- (5) Shipping of Non-Company Owned Meters to Company.** A Non-Company Owned Meter shipped by the Meter Owner to the Company for testing and installation shall be shipped to the Company's designated meter delivery address as provided herein, with shipping costs prepaid by the Meter Owner.
- (6) Return of Non-Company Owned Meters to Meter Owner.** A Non-Company Owned Meter being returned to the Meter Owner for any reason (including removal from service) may be picked up by the Meter Owner at a Company designated location within ten business days after Company gives written notice that the Non-Company Owned Meter is being returned. If the Non-Company Owned Meter is not picked up by the Meter Owner within such ten business day period, Company will have the right to return the Non-Company Owned Meter to the Meter Owner using any of the following means: (a) shipping by Company to the Meter Owner, at the address specified herein, shipping to be paid by the Meter Owner, cash on delivery; (b) shipping to the Meter Owner using a shipper, Meter Owner account number and shipping instructions provided by the Meter Owner when the Meter Owner is notified that the Non-Company Owned Meter is being returned; or (c) other arrangements mutually agreed to by Company and Meter Owner. If a Non-Company Owned Meter that has been removed from service is not returned to the Meter Owner using one of the means specified above, Company will safeguard the

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Non-Company Owned Meter until the earlier of (i) the date the Meter Owner takes possession of it, or (ii) 60 calendar days from the date of removal.

B. ACCESS TO NON-COMPANY OWNED METER BY COMPANY TO OBTAIN METER DATA

- 1. Billing and Settlement Meter Reading Capability.** Where remote meter reading is required, the method that Retail Customer will provide for the Company to remotely access the Non-Company Owned Meter(s) to obtain Meter Data necessary for the Company to fulfill its billing, settlement and reliability responsibilities pursuant to Applicable Legal Authorities ("Billing and Settlement Meter Reading Capability") is _____ (e.g., cell phone, land line, radio, etc.). The Billing and Settlement Meter Reading Capability must be compatible with a method the Company currently uses elsewhere on its system for remote access to Billing Meters providing similar billing, settlement and reliability Meter Data.

The Billing and Settlement Meter Reading Capability must comply with Section 5.10.2 - Retail Customer Responsibility and Rights of Company's Tariff Where remote meter reading is required, Retail Customer shall arrange for and be responsible for the costs, including any ongoing costs, of the remote communications for the Billing and Settlement Meter Reading Capability. Retail Customer shall have the Billing and Settlement Meter Reading Capability in effect beginning _____. Retail Customer shall provide Company with 45 calendar days advance written notice of termination of the Billing and Settlement Meter Reading Capability and agrees to work in good faith with Company to restore Company's remote meter reading capability.

- 2. Company's Access to Billing and Settlement Meter Reading Capability.** Company will not use Meter Data from a Non-Company Owned Meter for purposes other than fulfilling the Company's billing, settlement, and reliability responsibilities in accordance with Applicable Legal Authorities. Company shall have access to the Non-Company Owned Meter using the Billing and Settlement Meter Reading Capability, (a) on the scheduled meter reading day and the two calendar days on either side of the scheduled meter reading day, for _____ consecutive minutes beginning at _____ am/pm (circle one) (central prevailing time); and (b) on three additional consecutive calendar days designated by Company in writing for

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consecutive minutes each day beginning at am/pm (circle one) (central prevailing time). In addition, Company may access the Non-Company Owned Meter at other times if necessary to fulfill the Company's billing and settlement responsibilities or if access is not available at the designated times. If Company does not have reasonable access through the Billing and Settlement Meter Reading Capability to the Non-Company Owned Meter for a period exceeding 10 calendar days, or for the two calendar days on either side of and on the scheduled meter read date, or in the event that Company's access to billing and settlement

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data is blocked during the times listed herein, Retail Customer will be in breach of its obligations under this Agreement.

3. **Charges.** Company shall not charge Retail Customer for access to the Meter Data nor shall Retail Customer charge Company for access to the billing, settlement and reliability Meter Data.

C. CONTACT INFORMATION

All notifications and other contacts necessary in the administration and execution of this Agreement may be effectuated by contacting Company, Retail Customer, Meter Owner, or Retail Customer's Agent at the addresses and telephone numbers set forth below:

FOR COMPANY:

Contact:

Address:

E-mail:

Phone Number:

Fax Number:

FOR RECEIPT OF NON-COMPANY OWNED METER:

Contact:

Address:

FOR RETAIL CUSTOMER:

Company Name:

Contact Person:

Premise Address

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Billing Address:

E-mail:

Phone Number:

Fax Number:

Retail Customer's

Competitive Retailer,

contact

name and phone number

FOR METER OWNER:

Company Name:

Contact Person:

Address:

E-mail:

Phone Number:

Fax Number:

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FOR RETURN OF NON-COMPANY OWNED METER:

Contact Person:

Address:

FOR RETAIL CUSTOMER'S AGENT:

Company Name:

Contact Person:

Address:

E-mail:

Phone Number:

Fax Number

Company will promptly provide to the Retail Customer any changes to the Company's contact information. The Retail Customer will promptly provide to Company any changes to the Retail

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Customer's, Meter Owner's, Competitive Retailer's or Retail Customer's Agent's contact information.

D. OTHER TERMS AND CONDITIONS

1. The form of this Agreement may be amended, revised, or otherwise changed only by an appropriate order of Applicable Legal Authorities.
2. Except as expressly provided by this Agreement, no provisions of this Agreement shall revise, alter, modify, or amend other provisions of Company's Tariff for Retail Delivery Service.
3. This Agreement shall commence, upon the date of execution by both Parties (the "Effective Date").
4. This Agreement shall terminate on the earlier of: (a) the date that none of the ESI IDs specified on the first page of this Agreement are associated with the Retail Customer; or (b) the date that all of the 'Non-Company Owned Meters provided for under this Agreement have been permanently removed, whether removed at the. Retail Customer's request or pursuant to Applicable Legal Authorities; or (c) termination by the Retail Customer upon 45 calendar days advance written notice to the Company, or (d) termination by the Company upon Retail Customer's breach of any obligation under this Agreement that has remained uncured after Retail Customer and Retail Customer's Agent, if designated, have been given written notice of the breach and 30 calendar days to cure. Upon termination of the Agreement, Company shall have the right to remove the Non-Company Owned Meter(s) covered by this Agreement; provided that removal of Non-Company Owned Meters shall comply with Section 5.10.5 of the Tariff. Termination of the Agreement may result in applicable charges under Section 6.1 - Rate Schedules of Company's Tariff Termination of this Agreement, for any reason, shall not relieve the Parties of any obligation accrued or accruing prior to such termination.
5. Retail Customer is responsible for providing accurate information to Company as requested herein, as well as accurate information necessary to facilitate Company's access through the Billing and Settlement Meter Reading Capability to billing, settlement

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- and reliability Meter Data (e.g., telephone numbers). Retail Customer is responsible for promptly informing Company of any changes to that information. Failure to maintain the
6. accuracy of the information required under this Agreement will constitute a breach of this Agreement.
 7. This Agreement is binding upon Company and Retail Customer and their successors and assigns, provided that Retail Customer may assign this Agreement only to another Retail Customer taking service at the specified ESI IDs, and only upon giving written notice to Company and providing all pertinent changes to information requested-herein.
 8. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

Company (Insert Name)

(Legal Signature)

(Date)

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Retail Customer (Insert Name)

(Legal Signature) _____

(Date) _____

ACKNOWLEDGED this ____ day of _____, by:

Meter Owner (Insert Name)

(Legal Signature) _____

(Date) _____

ACKNOWLEDGED this ____ day of _____, by:

Retail Customer's Agent (Insert Name)

(Legal Signature) _____

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COMPETITIVE METERING LETTER OF AGENCY

Electric Service Identifier (ESI ID Number):*

Premise Address (*include city, state, zip*):*

Retail Customer.

Retail Customer's Billing Address:

(*include city, state, zip*)

Retail Customer's E-mail:

Retail Customer's Telephone Number:

Retail Customer's Fax Number.

Retail Electric Provider or (REP):

Transmission and Distribution Utility (TDU):

Retail Customer's Agent:

Retail Customer's Agent's Address:

(*include city, state, zip*)

Retail Customer's Agent's Email:

Retail Customer's Agent's Telephone Number:

Retail Customer's Agent's Fax Number.

*** If this Letter of Agency applies to multiple ESI IDs, the ESI IDs are listed on an Attachment that identifies the appropriate premise address for each ESI ID.**

The Retail Customer designates the Retail Customer's Agent for purposes of performing Retail Customer's duties provided for in the "Agreement for Meter Ownership and/or Access" (the

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"Agreement"), as well as giving and receiving information in accordance with the Competitive Metering Guides of the Electric Reliability Council of Texas ("ERCOT").

In addition to the duties included in the Agreement, Retail Customer appoints Agent to:

- (1) Communicate with and authorize TDU to maintain, repair, and replace the Non-Company Owned Meter(s), as may be reasonable and necessary;
- (2) Submit to and obtain from the TDU information requests, service requests, and data access; and,
- (3) Authorize TDU to enter the Premise at reasonable times and to perform all reasonable and necessary work to install the Non-Company Owned Meter(s) at the Premise and to maintain, repair, replace, and remove the Non-Company Owned Meter(s).

Retail Customer acknowledges that Retail Customer is obligated to pay all amounts due to the TDU pursuant to its tariffs approved by the Public Utility Commission of Texas. Failure of Agent to perform Retail Customer's duties does not relieve Retail Customer of any obligation under the Agreement or tariffs.

By signing this Letter of Agency, Retail Customer represents that if Retail Customer is not the owner of the premises upon which the Non-Company Owned Meter and any associated equipment will be located, that Company is fully authorized by the owner of the premises to enter

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the premises and to perform any reasonable work necessary to install, maintain, repair, replace, or remove such Meter and associated equipment.

Representation: By signing this Letter of Agency, Retail Customer represents that Retail Customer is at least 18 years old and has the legal capacity to execute this document.

Termination: This Letter of Agency can be terminated at any time, provided however that with regard to the Agreement, termination shall be effective only upon TDB's receipt of written notice of such termination from Retail Customer. Retail Customer represents by its signature there under that Retail Customer is aware of its affirmative duty to promptly inform the TDU of any changes to this Letter of Agency, including its termination.

Retail Customer

Date

APPENDIX A - AGREEMENT BETWEEN COMPANY AND COMPETITIVE RETAILER REGARDING TERMS AND CONDITIONS OF DELIVERY OF ELECTRIC POWER AND ENERGY (Delivery Service Agreement)

Company and Competitive Retailer hereby agree that their relationship regarding the delivery of Electric Power and Energy will be governed by the terms and conditions set forth in Company's Tariff approved by the Public Utility Commission of Texas (Commission). A copy of this Tariff may be obtained by contacting the Central Records Department of the Commission.

- I. Notices, bills, or payments required in Company's Tariff shall be delivered to the following addresses:

FOR COMPANY

Legal Name: Texas-New Mexico Power Company

Mailing Address: REP Relations
577 N. Garden Ridge Blvd.

Lewisville, Texas 75067

Phone Number: 214-222-4127

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Fax Number: 214-222-4156

Email Address: MPRelations@tnmp.com

Payment Address: (both electronic and postal):

Wells Fargo Bank

ABA Number: 121000248

Account Name: Texas-New Mexico Power Company

ACH: CTX

EDI: Transaction Texas Set 820

Company may change such contact information through written notice to
Competitive Retailer.

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FOR COMPETITIVE RETAILER

Legal Name: _____

Mailing Address: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

Billing Address (both electronic and postal): _____

PUC Certificate Number: _____

Competitive Retailer may change contact information through written notice to Company.

II. A. DESIGNATION OF CONTACT FOR REPORTING OF OUTAGES, INTERRUPTIONS, AND IRREGULARITIES

*Please place a check on the line beside the option selected. ***These options and attendant duties are discussed in pro-forma tariff section 4.11.1.***

___ Competitive Retailer will direct Retail Customers to call Competitive Retailer to report outages, interruptions, and irregularities and will then electronically forward such information to Company.

___ Competitive Retailer will direct Retail Customers to call Competitive Retailer to report outages, interruptions, and irregularities and will then forward such calls to Company at the following toll-free number:

1-888-TNMP456 (888-866-7456)

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___ Competitive Retailer will direct Retail Customers to directly call or contact Company to report outages, interruptions, and irregularities. Competitive Retailer will provide Retail Customer with the following Company supplied toll-free number for purposes of such reporting:

1-888-TNMP456 (888-866-7456)

B. DESIGNATION OF CONTACT FOR MAKING SERVICE REQUESTS

*Please place a check on the line beside the option selected. ***These options and attendant duties are discussed in pro-forma tariff section 4.11.1.***

___ Competitive Retailer will direct Retail Customers to call Competitive Retailer to make service requests and will then electronically forward such information to Company.

___ Competitive Retailer will direct Retail Customers to call Competitive Retailer to make service requests and will then forward such calls to Company at the following toll-free number:

1-888-TNMP456 (888-866-7456)

___ Competitive Retailer will direct Retail Customers to directly call or contact Company to make service requests. Competitive Retailer will provide Retail

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Customer with the following Company supplied toll-free number for purposes of making such requests.

1-888-TNMP456 (888-866-7456)

III. TERM

This Agreement shall commence upon the date of execution by both Parties (the "Effective Date") and shall terminate upon mutual agreement of the

Parties or upon the earlier of the date (a) Competitive Retailer informs the Company that it is no longer operating as a Competitive Retailer in Company's service territory; (b) a new Delivery Service Agreement between the Parties hereto becomes

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effective; or (c) Competitive Retailer is no longer certified by the Commission as a retail electric provider in Company's certificated service area.

Termination of this Agreement, for any reason, shall not relieve Company or Competitive Retailer of any obligation accrued or accruing prior to such termination.

IV. This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.

V. SIGNATURES

Company (insert name) _____

(legal signature) _____

(date) _____

Competitive Retailer (insert name) _____

(legal signature) _____

(date) _____



TEXAS- NEW MEXICO POWER COMPANY

577 N. Garden Ridge Blvd.
Lewisville, Texas 75067

**WHOLESALE TARIFF
FOR
TRANSMISSION SERVICE**

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CHAPTER 1: PRELIMINARY STATEMENT

Texas-New Mexico Power Company (the "Company") is an electric utility engaged in the transmission and distribution of electricity in the State of Texas. This Tariff for Transmission Service establishes the rates, terms and conditions for the provision of wholesale transmission service by the Company and its relationship with customers. Unless otherwise defined herein, each term used herein with its initial letter capitalized shall have the meaning assigned to such term in Substantive Rule 25.5 of the Public Utility Commission of Texas (the "Commission").

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CHAPTER 2: WHOLESALE TRANSMISSION SERVICES AND DEFINITIONS

All of the services provided pursuant to this Tariff for Transmission Service are available to customers, as specified in the applicable Rate Schedule, on a non-discriminatory basis. Service will be provided in accordance with this Tariff for Transmission Service, the service agreement between the Company and the customer, and the interconnection agreement between the Company and the customer. This Tariff for Transmission Service is subject to change from time to time by the Company and regulatory authorities having jurisdiction. Any changes to this Tariff for Transmission Service made by the Company and regulatory authorities having jurisdiction will automatically become effective. Sections 25.5, 25.191-25.198, and 25.200-25.203 of the Commission Substantive Rules address the provision of wholesale transmission service in ERCOT.

2.1 Definitions

The following terms, when used in this Tariff for Transmission Service, have the following definitions.

APPLICABLE LEGAL AUTHORITIES. A Texas or federal law, rule, regulation, or applicable ruling of the Commission or any other regulatory authority having jurisdiction, an order of a court of competent jurisdiction, or a rule, regulation, applicable ruling, procedure, protocol, guide or guideline of ERCOT, or any entity authorized by ERCOT to perform registration or settlement functions.

COMMISSION. The Public Utility Commission of Texas.

COMPANY. Texas-New Mexico Power Company, its successors and assigns.

CONTRIBUTION IN AID OF CONSTRUCTION ("CIAC"). Payment by Customer to Company for facilities extensions, upgrades, or expansions in excess of allowable expenditures, or for nonstandard service facilities, removals or relocations. To the extent that the CAIC payment is considered taxable revenue to the Company, it shall include an amount equal to the Company's tax liability. The CIAC payment shall also include an amount to recover franchise fees where applicable.

CUSTOMER. A DSP, TSP, or Generator that receives service over Company's electric facilities at transmission or distribution voltages or is an applicant for such service under this Tariff for Transmission Service.

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DISTRIBUTION FACILITIES. Facilities used to provide wholesale transmission service at distribution voltage.

DISTRIBUTION SERVICE PROVIDER ("DSP"). An electric utility, municipally owned utility, or electric cooperative, as those terms are defined in the TEXAS UTILITIES CODE, that owns or operates for compensation in this state equipment or facilities that are used for the distribution of electricity to retail customers.

DISTRIBUTION SYSTEM. Company's primary voltage conductors, transformers, switchgear, connection enclosures, and other associated equipment used to provide wholesale transmission service, all operated at voltages less than 60 kV.

ELECTRICAL INSTALLATION. All conductors, equipment, or apparatus of any kind on Customer's side of the Point of Interconnection, except Company's metering equipment, used by Customer in taking service under one of Company's rate schedules set forth in this Tariff for Transmission Service.

ERCOT. The Electric Reliability Council of Texas, or such other organization certified by the Commission to perform the functions prescribed by Texas Utilities Code Section 39.151.

EXEMPT WHOLESALE GENERATOR ("EWG"). A person who is engaged directly or indirectly through one or more affiliates exclusively in the business of owning or operating all or part of a facility for generating electric energy and selling electric energy at wholesale who does not own a facility for the transmission of electricity, other than an essential interconnecting transmission facility necessary to effect a sale of electric energy at wholesale, and who is in compliance with the registration requirements of Commission Substantive Rule§ 25.105.

FACILITY CONNECTION REQUIREMENTS. Requirements for connecting with Company's transmission.

GENERATION FACILITIES. As used in this tariff, Generation Facilities are facilities owned by an entity that is an EWG, Power Generation Company, or QF.

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GENERATOR. As used in this tariff, a Generator is an entity that is an EWG, Power Generation Company, or QF as those terms are defined in this tariff.

INSTRUMENT TRANSFORMER. A current or voltage potential device necessary in the metering of Customer's load.

KILOVOLT. 1000 volts, abbreviated kV.

KILOWATT. 1000 watts, abbreviated kW.

MEGAWATT. 1000 kilowatts, abbreviated MW.

METER. A device, or devices, together with any required auxiliary equipment, for measuring power and energy. If a device that measures power and energy has multiple channels, then each channel that measures power and energy is considered a separate Meter.

POINT OF INTERCONNECTION. The point where Company's conductors are connected to Customer's conductors. If there are multiple points where Company's conductors are connected to WDSC's conductors, each point where Company's conductors are connected to WDSC's conductors is a separate Point of Interconnection for billing purposes under Rate XFMR or Rate DLS.

POWER. The rate at which electric energy is provided for doing work. The electrical unit of power is the watt, or kilowatt.

POWER FACTOR. The ratio of real power, in kilowatts, to apparent power, in kilovolt amperes, for any given load and time, generally expressed as a percentage ratio.

POWER GENERATION COMPANY. A person that (a) generates electricity that is intended to be sold at wholesale, including the owner or operator of electric energy storage equipment or facilities to which the Public Utility Regulatory Act, Chapter 35, Subchapter E applies; (b) does not own a transmission or distribution facility in Texas, other than an essential interconnecting facility, a facility not dedicated to public use, or a facility otherwise excluded from the definition of "electric utility" contained in Section 25.5 of the Commission's Substantive Rules; and (c) does not have a certificated service area, although its affiliated electric utility or transmission and distribution utility may have a certificated area.

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QUALIFYING FACILITY ("QF"). A qualifying cogenerator as defined by 16 U.S.C. § 796(18)(C) or a qualifying small power producer as defined by 16 U.S.C. § 796(17)(D).

RATE SCHEDULE. A statement of the method of determining charges for a service, including the conditions under which such method applies, set forth in Section 3 of this Tariff for Transmission Service.

TRANSMISSION SERVICE PROVIDER ("TSP"). An electric utility, municipally-owned utility, or electric cooperative, as defined in the Texas Utilities Code, that owns or operates facilities used for the transmission of electricity.

WATT. The rate at which electric power is provided to do work. One watt is the power represented by current having a component of one ampere in phase with and under a pressure of one volt.

WHOLESALE DISTRIBUTION SERVICE CUSTOMER ("WDSC"). A DSP or WESF-D that receives service over Company's electric facilities under this Tariff for Transmission Service.

WHOLESALE ENERGY STORAGE FACILITY - DISTRIBUTION ("WESF-D"). As used in this tariff, a storage facility where electricity is used to charge the facility, and the stored energy from that electricity is used to subsequently re-generate electricity that is sold at wholesale as energy or ancillary services. The storage facility must be separately metered from all other facilities, including auxiliary facilities, and the Point of Interconnection with the Company must be at the Company's Distribution Facilities.

WHOLESALE ENERGY STORAGE FACILITY-TRANSMISSION ("WESF-T"). As used in this tariff, a storage facility where electricity is used to charge the facility, and the stored energy from that electricity is used to subsequently re-generate electricity that is sold at wholesale as energy or ancillary services. The storage facility must be separately metered from all other facilities, including auxiliary facilities, and the Point of Interconnection with the Company must be at a voltage of 60 kV or greater.

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CHAPTER 3: Rate Schedules

3.2. RATE NTS – Network Transmission Service

Application

Applicable to all Transmission Service Customers receiving service over the Company's electric facilities rated at 60 kV and above ("Customers") for delivery of electric power and energy from resources to loads while maintaining reliable operation of the Company's transmission system in accordance with Good Utility Practice and Commission Substantive Rules. This Rate Schedule is not applicable to service offered by the Company under another Rate Schedule.

Type of Service

Three phase, 60 hertz, and at Company's standard transmission voltages.

Annual Rate

Network Transmission Service Charge	=	\$ 2.367448	per kW
Rate Case Expense *	=	\$0.00650	per kW
Hurricane Cost Recovery Factor*	=	\$0.00095	per kW

*The rates shall take effect on the first day of the month following Commission approval of this schedule and shall continue in effect for three years or until the full amount approved in Docket No. XXXXX has been recovered. The amount payable for Rate Case Expense and for Hurricane Cost Recovery Factor a month is one-twelfth of the of the rate.

The amount payable for Network Transmission Service for a month is one-twelfth of the Network Transmission Service Charge. The Customer's "Utility System Demand" is the average of the demand, expressed in kilowatts, of the Customer's retail and wholesale loads for the 15-minute interval that is coincident with the ERCOT system coincident peak demand for the months of June, July, August, and September in the preceding calendar year.

Transmission Service Charges for Exports from ERCOT

In accordance with P.U.C. SUBST. R. 25.192(e), Transmission Service Customers, excluding those customers that are eligible for the OklaUnion Exemption, exporting power from ERCOT will be

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assessed transmission service charges for the use of the ERCOT transmission system, based on the amount of power actually exported and the duration of the transaction, and which shall be calculated using the charges set forth below:

Hourly rate per kW	\$0.000270	per kW
--------------------	------------	--------

Payment

The Company must receive payment by the 35th calendar day after the date of issuance of the bill to Customer, unless the Company and the Customer agree on another mutually acceptable payment due date in the service agreement between the Company and the Customer, in accordance with applicable Commission Substantive Rules. Interest will accrue on any unpaid amount in accordance with applicable Commission Substantive Rules.

Agreements

Customers shall enter into a service agreement with the Company covering the specific terms and conditions of the Network Transmission Service requested.

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3.2 RATE DLS – Wholesale Distribution Line Service

Application

Applicable to all WDSCs receiving distribution service supplied at one Point of Interconnection and measured through one meter necessary to support the transmission of energy for purposes of resale in accordance with Commission Substantive Rules 25.5, 25.191-25.199, 25.200-25.203 and 25.501. This rate schedule is not applicable to service offered by the Company under another rate schedule. WDSCs taking service under this rate schedule are not subject to Rate XFMR.

Type of Service

Three phase, 60 hertz, and at the Company's standard primary distribution voltages (below 60 kV).

Monthly Rate

Customer Charge	=	\$46.13	per point of delivery
Metering Charge	=	\$79.11	per point of delivery
Distribution System Charge	=	\$3.16632	per Billing kVA
Distribution Cost Recovery Factor	=	See Rider DCRF	
Rate Case Expense Recovery Factor	=	\$0.00888	per Actual kW
Hurricane Cost Recovery Factor	=	\$0.00923	per Actual kW

The amount payable for Distribution Line Service for a month is equal to the sum of (a) the Customer Charge plus (b) the Metering Charge plus (c) the Distribution System Charge for such month. The "Billing kVA" to be used for determining the Distribution System Charge for a month shall be the Customer's highest measured 15-minute kVA in the 12-month period ending with such month.

Payment

The Company must receive payment by the 20th calendar day after the date of issuance of the bill to Customer, unless the Company and the Customer agree on another mutually acceptable payment due

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date in the service agreement between the Company and the Customer, in accordance with applicable Commission Substantive Rules. Interest will accrue on any unpaid amount in accordance with applicable Commission Substantive Rules.

Definitions

“Distribution Line Service” means wholesale distribution service provided to the Customer from the Company’s Distribution system.

“Distribution Service Providers” means an electric utility, municipally-owned utility, or electric cooperative that owns or operates for compensation in the State of Texas equipment or facilities that are used for the distribution of electricity to Retail Customers.

Contribution in Aid of Construction

In the event any new facilities, or any upgrades, extensions or modifications to existing facilities, are required in order to provide requested service, whether due to new service requested, increase in demand or otherwise, the Customer may be required to pay, as a contribution in aid of construction, the estimated cost of such facilities, upgrades, extensions and modifications. If any payment by the Customer is determined by the Company to be taxable revenue to the Company, the Customer shall also pay to the Company an amount equal to the Company’s tax liability, as determined by the Company.

Agreements

Customers shall enter into a service agreement with the Company covering the specific terms and conditions of the Distribution Line Service requested and an interconnection agreement with the Company covering the specific terms and conditions for the point(s) of interconnection.

Notice

Service here under is subject to the orders of regulatory authorities having jurisdiction and to the provisions of this Tariff for Transmission Service.

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3.3 RIDER DCRF –Distribution Cost Recover Factor

AVAILABILITY

Each WDSC will be assessed a nonbypassable distribution service charge adjustment pursuant to this rider. The charges derived herein, pursuant to Substantive Rule § 25.243, are necessitated by incremental distribution costs not included in the Company’s last general rate case proceeding before the Commission.

MONTHLY RATE

The WDSC receiving service will be assessed this distribution service charge adjustment based on the monthly per unit cost (WDCRF) multiplied times the WDSC’s appropriate monthly billing determinant. The WDCRF shall be calculated for each rate according to the following formula:

$$WDCRF = \frac{[(DIC_C - DIC_{RC}) * ROR_{AT}] + (DEPR_C - DEPR_{RC}) + (FIT_C - FIT_{RC}) + (OT_C - OT_{RC}) - \Sigma(DISTREV_{RC-CLASS} * \%GROWTH_{CLASS})}{ALOC_{CLASS} / BD_{C-CLASS}}$$

rounded to nearest \$.000001

Where:

- DIC_C = Current Net Distribution Invested Capital
- DIC_{RC} = Net Distribution Invested Capital from the last comprehensive base-rate proceeding.
- ROR_{AT} = After-Tax Rate of Return as defined in Substantive Rule § 25.243(d)(2).
- DEPR_C = Current Depreciation Expense, as related to Current Gross Distribution Invested Capital, calculated using the currently approved depreciation rates.
- DEPR_{RC} = Depreciation Expense, as related to Gross Distribution Invested Capital, from the last comprehensive base-rate proceeding.
- FIT_C = Current Federal Income Tax, as related to Current Net Distribution Invested Capital, including the change in federal income taxes related to the change in return on rate base and synchronization of interest associated with the change in rate base resulting from additions to and retirements of distribution plant as used to compute Net Distribution Invested Capital.
- FIT_{RC} = Federal Income Tax, as related to Net Distribution Invested Capital from the last comprehensive base-rate proceeding.

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OT_C = Current Other Taxes (taxes other than income taxes and taxes associated with the return on rate base), as related to Current Net Distribution Invested capital, calculated using current tax rates and the methodology from the last comprehensive base-rate proceeding, and not including municipal franchise fees.

OT_{RC} = Other Taxes, as related to Net Distribution Invested Capital from the last comprehensive base-rate proceeding, and not including municipal franchise fees.

$DISTREV_{RC-CLASS}$ (Distribution Revenues by rate class based on Net Distribution Invested Capital from the last comprehensive base-rate proceeding) = $(DIC_{RC-CLASS} * ROR_{AT}) + DEPR_{RC-CLASS} + FIT_{RC-CLASS} + OT_{RC-CLASS}$.

$\%GROWTH_{CLASS}$ = Growth in Billing Determinants by Class = $(BD_{C-CLASS} - BD_{RC-CLASS}) / BC_{RC-CLASS}$

$DIC_{RC-CLASS}$ = Net Distribution Invested Capital allocated to the rate class from the last comprehensive base-rate proceeding.

$DEPR_{RC-CLASS}$ = Depreciation Expense, as related to Gross Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding.

$FIT_{RC-CLASS}$ = Federal Income Tax, as related to Net Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding.

$OT_{RC-CLASS}$ = Other Taxes, as related to Net Distribution Invested Capital, allocated to the rate class in the last comprehensive base-rate proceeding, and not including municipal franchise fees.

$ALLOC_{CLASS}$ = Rate Class Allocation Factor approved in the last comprehensive base-rate proceeding, calculated as: total net distribution plant allocated to rate class, divided by total net distribution plant. For situations in which data from the last comprehensive base-rate proceeding are not available to perform the described calculation, the Rate Class Allocation Factor shall be calculated as the total distribution revenue requirement allocated to the rate class (less any identifiable amounts explicitly unrelated to Distribution Invested Capital) divided by the total distribution revenue requirement (less any identifiable amounts explicitly unrelated to Distribution Invested Capital) for all classes as approved by the commission in the electric utility's last comprehensive base-rate case.

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3.4 Wholesale Discretionary Services

Application

Applicable to entities that are eligible to receive wholesale discretionary services provided by Company under this Tariff for Transmission Service. The service charges listed below are in addition to any other charges made under this Tariff for Transmission Service and will be applied for the appropriate condition described. Charges will be based on Company's cost, including appropriate overhead.

Activity	Description	Amount
Generator Interconnection Study	Studies performed by Company associated with the interconnection of Generation Facilities to Company's transmission or distribution system in accordance with Commission Substantive Rules and applicable ERCOT requirements, including Steady State Study, Short Circuit Study, Stability Study, and Facilities Study	As Calculated
Facilities Relocation/Removal Study	Study performed by Company at request of Customer for the relocation/removal of Company facilities	As Calculated
Facilities Relocation/Removal	Relocation/removal of Company facilities at request of Customer	As Calculated
Operations & Maintenance Support Service	O&M services performed by Company on transmission and substation facilities owned by other transmission and distribution providers, including facilities that are jointly owned by Company and other transmission owners, and facilities owned by Generators. The applicable Agreement is required.	As Calculated
Power Factor Correction Facilities Installation	Power factor correction facilities installed by Company due to failure of Customer to maintain required power factor	As Calculated
Miscellaneous Transmission & Distribution Discretionary Services	Additional transmission related discretionary services, including transmission services at distribution level voltages, as requested by Customer in accordance with Commission Substantive Rules and Company's Commission-approved service regulations	As Calculated
Temporary Facilities Installation and Removal	Applicable to the construction and removal of Temporary Facilities requested by Customer, pursuant to the provisions of Section 4.5.15, below	As Calculated
Retail Disconnection of Service for Non-Payment	Applicable to Customer that is the Retail Electric Utility for Company's Wholesale Transmission Customer. Upon request by Customer, Company will disconnect service to Customer's Retail Electric Customer.	As Calculated

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Retail Reconnection of Service after Disconnection of Service for Non-Payment	Applicable to Customer that is the Retail Electric Utility for Company's Wholesale Transmission Customer. Upon request by Customer, Company will reconnect service to Customer's Retail Electric Customer.	As Calculated
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Payment

The Company must receive payment by the 20th calendar day after the date of issuance of the bill to Customer, unless the Company and the Customer agree on another mutually acceptable payment due date in the service agreement between the Company and the Customer, in accordance with applicable Commission Substantive Rules. Interest will accrue on any unpaid amount in accordance with applicable Commission Substantive Rules.

Agreements

A Discretionary Service Agreement or Interconnection Agreement is required, whichever is applicable.

Notice

Service here under is subject to the orders of regulatory authorities having jurisdiction and to the provisions of this Tariff for Transmission Service.

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4.1 Forward

These Service Regulations govern the supplying and taking of wholesale transmission service (either at transmission or distribution voltage level), interconnection of facilities, and discretionary services (collectively "related services"), by Customer from Company. Such Service Regulations are subject to change from time to time by Company and regulatory authorities having jurisdiction and are on file at Company's business offices and with applicable regulatory authorities. Those Customers receiving wholesale transmission service and related services from Company must also comply with Company's Facility Connection Requirements.

The supplying and taking of wholesale transmission and related services is also governed by Commission Substantive Rules, including, without limitation, Substantive Rules 25.5, 25.191-25.195, 25.197-25.203 and 25.501 and certain ERCOT requirements. If conflicts exist between these Service Regulations and the Commission Substantive Rules, the provisions of Commission Substantive Rules shall govern.

4.2 Wholesale Transmission and Related Services

4.3.1 AVAILABILITY OF SERVICE

4.3.1.1 INTERCONNECTION ARRANGEMENTS

Interconnection of facilities includes interconnections with Customers at transmission voltages and distribution voltages, including WESF-D and WESF-T. An Interconnection Agreement is required for interconnection with Company's facilities.

Company may require special contractual arrangements, which may include additional charges, prior to Company's providing service if the service requested by Customer is not available at the service location or is other than that which Company usually provides.

4.3.1.2 COMPANY'S STANDARD TRANSMISSION AND DISTRIBUTION VOLTAGES

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Company provides wholesale transmission and related services at Company's standard transmission and distribution voltages and not all standard voltages are available at every location.

Standard Transmission Voltages: Standard Distribution Voltages

<i>Three Phase (Volts)</i>	<i>Three Phase (Volts)</i>
69000	7200/12470
138000	7620/13200
345000, when appropriate given safety and reliability concerns	12470/21600
	12470
	13200
	14400/24940
	19920/34500
	34500

4.3.2 METERING FOR SERVICE TO GENERATION FACILITIES

All meters are furnished, installed and maintained by Company as required by Commission Substantive Rules and ERCOT requirements. Generator provides space, without cost to Company, which is suitable for installation of Company's meter and metering equipment. No metering equipment may be by-passed for any reason, without prior approval of Company.

4.3.3 METERING FOR SERVICE TO DSPS

Meters at DSP's distribution voltage Points of Interconnection that are used for Company's billing purposes under Rate XFMR and Rate DLS may be owned by DSP or the Company, as agreed by the DSP and Company. The meter must be able to provide 15 minute interval data to Company electronically or have the ability to be interrogated by the Company.

4.3.4 LOCATION OF METER

Meters and associated equipment are installed in a location suitable to Company and in such a way that a clear working space is provided on all sides. All meter locations should be as near as possible to the Point of Interconnection. Meters may not be installed in any hazardous location. Customer shall provide Company access to the meter at all times.

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4.3.5 TESTING OF METER

Upon Customer's request, Company will test the accuracy of the Company-owned meter during normal working hours at a time convenient to Customer if Customer desires to observe the test. The meter may be tested at either Customer's premises or Company test facility at Company's discretion. Following any such requested test, Customer will be advised of the date of removal of the meter, the date of the test, and the result of the test. The test will be free of charge if the meter is found to be outside of the accuracy standards established by the American National Standards Institute, Inc. Otherwise, Customer will be required to pay for the meter testing in accordance with Rate WDS - Wholesale Discretionary Services.

4.3.6 TESTING OF CUSTOMER EQUIPMENT

In situations where historical Demand requirements will be exceeded due to properly noticed and Company approved scheduled equipment testing, Company will ignore for Billing Demand Ratchet purposes the test period demands. Approval of the equipment testing schedule including date and time, shall be at Company's discretion, but shall not be unreasonably withheld, provided Customer contacts Company at least ten days in advance of the equipment testing. In no event shall Company approved testing occur between the hours of 12 noon and 8:00 PM during the weekdays of the months of June, July, August, and September. Charges for electric usage (kWh and kW) during the test period, may be billed to the Customer. Increased demand for the testing period shall not affect the customer's demand for billing ratchet purposes. Charges for reading and resetting the Meter, if required, shall be as calculated and shall be billed to the Customer.

4.3 Providing Wholesale Transmission and Related Services

4.4.1 Continuity and Quality of Service

Company uses reasonable diligence to provide continuous service but Company does not guarantee against irregularities or interruptions, it being understood that occasional irregularities and interruptions are inevitable. Customer is responsible for installing and maintaining protective devices in accordance with Company's Facility Connection Requirements and the applicable Interconnection Agreement, and such other devices as are necessary to protect Customer's

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equipment during fault conditions or irregular or interrupted service including, but not limited to voltage and wave form irregularities, or the failure of part or all of the service. Company will provide a copy of those Facility Connection Requirements to Customer upon request. In those instances where (a) Customer experiences irregularities or interruptions to all or part of the service of an undetermined cause, (b) the report of same to Company prompts an investigation at the Customer's request, and (c) it is determined that the interruption or irregularity resulted from Customer's electrical facilities, Company may charge Customer an amount based on the cost to Company for such an investigation.

4.4.1.1 INTERRUPTION OF SERVICE

Company may without liability to Customer interrupt wholesale transmission and related services to Customer when, in Company's sole judgment, such interruption:

- a. Will prevent or alleviate an emergency threatening to disrupt the operation of Company's electric system, or Will lessen or remove possible danger to life or property,
or
- b. Will aid in the restoration of wholesale transmission or related services, or
- c. Is required to make necessary repairs to, tests of, or changes in Company's facilities,
or
- d. When such interruption is authorized elsewhere in this Tariff for Transmission Service.

To the extent required by Commission Substantive Rules, notice of such interruption will be given in accordance with such rules.

4.4.2 LIABILITY AND RESPONSIBILITY FOR DAMAGE OR INJURY AND DISCLAIMER OF WARRANTIES

4.4.2.1 LIABILITY AND RESPONSIBILITY

The rights and obligations of Company and Customer with regard to indemnification and liability are governed by Commission Substantive Rule 25.202 and this Tariff for Transmission Service. Company is responsible for the design, installation, operation, and maintenance of its facilities up to and including the Point of Interconnection, except as provided elsewhere in this Tariff for Transmission Service or in the Interconnection Agreement or other agreement between Customer and Company. Customer is responsible for the

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design, installation, operation, and maintenance of facilities beyond the Point of Interconnection, except as provided elsewhere in this Tariff for Transmission Service or in the Interconnection Agreement or other agreement between Customer and Company. Company may perform voluntary or emergency acts to facilities that are the responsibility of the Customer, but shall have no liability for damages or injuries resulting from said acts except to the extent that said damages or injuries are proximately caused by acts or omissions of the Company which are found to be wanton or willful with the intent to cause injury.

4.4.2.2 Disclaimer of Warranties

COMPANY MAKES NO WARRANTIES WHATSOEVER WITH REGARD TO THE PROVISION OF ANY SERVICE AND DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

4.4.3 Customer Complaints

All Customer complaints concerning the provision of service shall be handled in accordance with the Alternative Dispute Resolution procedures specified in Section 25.203 of the Commission's Substantive Rules, to the extent applicable.

4.4.4 Location of Point of Interconnection

Customer's installation must be arranged so that the location of the Point of Interconnection is acceptable to Company, taking into consideration the location of existing Company facilities, the construction needed to connect Customer to Company system, the Company's Facility Connection Requirements, and safety considerations.

Any change from the Company-designated Point of Interconnection is subject to payment by Customer based on any added costs to reach the new designated point.

4.4.5 Space Requirements

Customer grants to or secures for Company, at Customer's expense, any rights-of-way on property owned or controlled by Customer that are necessary to provide service to

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Customer. If assistance is requested by Company, Customer will assist Company in securing rights-of-way on property not owned or controlled by Customer if Company's having access to that property is necessary to provide service to Customer.

Customer provides, without cost to Company, suitable space on Customer's premises for the installation of facilities necessary to provide service to Customer. Customer shall provide Company access at all reasonable hours to Company's facilities located on Customer's premises.

4.4.6 Standard Facilities

Company provides standard wholesale transmission and related services, in accordance with Commission Substantive Rules, Company's Facility Connection Requirements, and applicable ERCOT requirements, utilizing an overhead radial circuit on wood poles (unless in Company's sole judgment, other construction is appropriate) to Customer, at one Point of Interconnection, with one meter, at one of Company's standard voltages at a frequency of 60 Hertz, and such voltage and frequency may have a variation.

4.4.6.1 STANDARD ALLOWANCE

WDSC will pay to Company prior to construction, pursuant to 4.4.6.2 below, a Contribution in Aid of Construction ("CIAC") for any amount that is in excess of the Standard Allowance associated with Company's construction of Distribution Facilities. Standard Allowance equals the Standard Allowance Factor of \$79/kW times the kW Demand as defined below.

4.4.6.2 CIAC DETERMINATION FOR STANDARD FACILITIES

For WDSCs taking service at voltages below 60 kV at a new or existing Point of Interconnection, WDSC will pay a CIAC prior to the construction of facilities if the Direct Cost of the Distribution Facilities necessary to serve WDSC exceeds the Standard Allowance for the WDSC's load. Such CIAC will be determined as follows:

CIAC Amount= Direct Cost - Standard Allowance + Company's Tax Liability+ Applicable Franchise Fees

Direct Cost - An estimate of all expenditures for Distribution Facilities deemed necessary by Company to provide service to a new Point of Interconnection or to

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upgrade facilities associated with an existing Point of Interconnection. This includes all costs of Distribution Facilities solely used to serve the WDSC as well as a prorated portion of the costs of Distribution Facilities that jointly serve the WDSC and other wholesale or retail customers. The cost associated with those facilities used to serve other retail and wholesale customers will be prorated by an amount equal to the projected load of the WDSC on such facilities during the calendar year in which the construction of such Distribution Facilities is projected to be completed, divided by the total projected load on such facilities in the same year. The Direct Costs of those facilities used to serve both the WDSC and other wholesale and retail customers will be grouped by facilities with common capacity ratings that are contiguous. A single prorating factor will be developed for each of these groups of facilities. Such prorating factor may vary for each of these groups of facilities. This cost does not include the costs of Distribution Facilities that will jointly serve the WDSC and others to the extent that Company anticipates such costs will be necessary to meet load growth, other than that of the WDSC, projected to occur within two (2) years.

kW Demand -For new Points of Interconnection, the value shall be the projected peak WDSC 15 minute interval demand that the Distribution Facilities are designed to serve less the Load Transfer Demand, as defined below. For existing Points of Interconnection, the kW Demand shall be determined as follows:

$$\text{kW Demand} = \text{New Contract Demand} - \text{Previous Contract Demand} - \text{Load Transfer Demand}$$

Previous Contract Demand - Initially, the Previous Contract Demand shall be equal to the WDSC's highest 15 minute interval demand occurring during the test year upon which Rate XFMR and Rate DLS were established. A Previous Contract Demand shall be determined for both the period May through October ("Summer Months") and the period November through April ("Winter Months") and shall be documented by an amendment to the Transmission Service Agreement.

New Contract Demand - The WDSC's highest 15 minute interval demand projected to occur during the calendar year in which the construction of the Distribution Facilities associated with the Direct Costs is projected to be completed. Such New Contract Demand will also include the Load Transfer Demand, as defined below. When it is

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determined by Company that Direct Costs will be incurred, a New Contract Demand shall be determined for both the Summer Months and the Winter Months, and shall be documented by an amendment to the Transmission Service Agreement.

Load Transfer Demand - For loads that are being transferred from an existing Point of Interconnection, such demand shall be the highest demand of the load that is projected to occur during the calendar year in which the Distribution Facilities are projected to be completed. Such Load Transfer Demand shall be determined for both Summer Months and Winter Months.

For purposes of determining the kW Demand, if the projected loads on Company's Distribution Facilities during the Summer Months create the need for an upgrade of such facilities, then the WDSC's Previous Contract Demand, New Contract Demand, and Load Transfer Demand for the Summer Months shall be used. Likewise, if the projected loads on Company's Distribution Facilities during the Winter Months create the need for an upgrade of such facilities, then the WDSC's Previous Contract Demand, New Contract Demand, and Load Transfer Demand for the Winter Months shall be used.

4.4.7 Non-Standard Facilities

Non-standard facilities include service through more than one Point of Interconnection, redundant facilities, facilities to serve load transferred from one Point of Interconnection to another Point of Interconnection where Company determines that its costs to serve such load at the existing Point of Interconnection are lower than its costs associated with serving such load at another Point of Interconnection, and facilities in excess of those normally provided by Company in comparable situations.

If Company provides non-standard facilities, Customer shall pay to Company a Contribution in Aid of Construction prior to the construction of such non-standard facilities, equal to the total estimated cost of such facilities. Such payment will include amounts to recover the Company's federal income tax liability associated with such payment and any applicable franchise fees associated with such payment. The provision of and payment for Non-Standard Facilities will be addressed in either a Discretionary Service Agreement or an Interconnection Agreement.

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4.4.8 Deposits or Other Security

Customer may be required to pay Company a deposit, or provide other means of security, in accordance with Commission Substantive Rule 25.195 or its successor.

4.4.9 Installation and Maintenance of Facilities

Customer will design, construct, operate, and maintain its facilities in accordance with Company's Facility Connection Requirements. Company will make a copy of those Requirements available to Customer upon request.

Company owns all electric lines and equipment on Company's side of the Point of Interconnection and Customer shall not tamper or interfere therewith. Company may require Customer to install auxiliary metering equipment, furnished by Company, in conjunction with Customer's Electrical Installation.

Company installs all electric lines and equipment on Company's side of the Point of Interconnection. Only personnel authorized by Company are permitted to make, energize, or de-energize connections to Company facilities.

Company and Customer will, at their own cost and expense, operate, maintain, repair, and inspect, and shall be fully responsible for liabilities related to, the electric lines and related facilities which they now or hereafter may own located at or connected to each Point of Interconnection, unless otherwise specified in an Interconnection Agreement. Maintenance by Company or Customer that will cause a deviation from normal power and energy flow at a Point of Interconnection will be scheduled in accordance with the procedures adopted by ERCOT. No changes will be made in the normal operation of a Point of Interconnection without the mutual agreement of the Company and Customer except as otherwise provided herein or in the Interconnection Agreement. Customer will coordinate the protective devices of the lines and facilities it owns and operates that are interconnected with Company's system with the protective devices of Company's system.

4.4.10 Protection of Company's Facilities On Customer's Premises

Customer must use reasonable diligence to protect Company facilities on Customer's premises and to permit only personnel authorized by Company or by law to have access to such facilities. In the event of loss of, or damage to, Company facilities on Customer's

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premises caused by or arising out of carelessness, neglect, or misuse by Customer or unauthorized persons, Company may require Customer to reimburse Company for the cost of such loss or damage.

4.4.11 Admittance to Customer's Premises

Customer shall admit to Customer's premises at all reasonable hours personnel authorized by Company to inspect, install, remove, or replace Company's property and to perform other activities as necessary in providing transmission service.

4.4.12 Removal and Relocation of Company's Facilities

Company may remove or relocate Company facilities at Customer's request, and Customer will pay a Contribution in Aid of Construction equal to the total cost of removing or relocating such facilities.

4.4.13 Dismantling of Company's Facilities

Company may, upon discontinuation of service to Customer, dismantle and remove all lines, equipment, apparatus, or other facilities that Company may have installed to provide service to Customer. Company may, however, abandon in place, in whole or in part, its lines and equipment in lieu of removing such facilities.

4.4.14 Attachments to Company's Facilities

Company does not permit any attachments (such as wires, ropes, signs, banners, or radio equipment) to Company facilities by others except when authorized in writing by Company.

Company may without notice and without liability remove unauthorized attachments to Company facilities.

4.4.15 Temporary Facilities

Temporary facilities are those facilities provided by Company to Customer for a single, continuous period of time that is less than twelve consecutive months, except that temporary facilities provided in connection with the delivery of construction power over a continuous period of time in excess of twelve months are considered to be temporary facilities.

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Customer will pay to the Company prior to the Company's constructing temporary facilities an amount equal to the estimated cost of installing and removing such facilities, plus the estimated cost of materials to be used that are unsalvageable after removal of the installation. Such payment will also include amounts to recover the Company's federal income tax liability associated with such payment and any applicable franchise fees associated with such payment.

4.4 Obtaining Service

4.5.1 Application for Service

Customer is required to make written application, in accordance with Commission Substantive Rules, to obtain service. Any Customer taking service from Company, in consideration of the Company's supplying service, is bound by these Service Regulations and is liable to Company for payment for such service under the applicable rate schedule.

Application for service must be in the legal name of Customer. Company may require suitable identification.

When there is a change in responsibility for payment of bills, a new application for service is required.

4.5.2 Service Agreement

Following the approval of a request for service, the Company will tender to the Customer a service agreement that defines the service arrangements particular to the Customer and utilizes the applicable agreement form contained in Section 4.10. That service agreement must be executed and returned to the Company prior to the initiation of the approved service.

Service agreements inure to the benefit of and are binding upon the respective heirs, legal representatives, successors and assigns of the parties thereto, but are voluntarily assignable by any party only with the written consent of the other(s) and subject to applicable laws and Commission Substantive Rules, except that Company may, without Customer's consent, assign any service agreement to any person or

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corporation in any lawful way acquiring or operating all or any part of Company's facilities used in supplying service under such agreement.

4.5 Use Of Wholesale Transmission and Related Services

4.6.1 Limitations On Use of Service

4.6.1.1 Intrastate Wholesale Transmission Service Limitations

Company does not provide service to Customer where any part of Customer's Electrical Installation is located outside the State of Texas or is connected directly or indirectly to any other electric lines, all or part of which are located outside the State of Texas, other than through certain high-voltage interconnections constructed under orders of the Federal Energy Regulatory Commission.

4.6.1.2 Parallel Operation

Customer may not connect its lines to another source of electric energy in a manner that may permit electric energy to flow into Company's system from such source without written agreement with Company. Additionally, the Customer's electrical facility shall not be configured in such a manner as to allow the paralleling of two electrical nodes of the Company's system without written agreement of the Company.

4.6.2 Customer's Electrical Systems

4.6.2.1.1 Load Balance

Company requires Customer to control the use of electric energy so that Customer's electrical load at the Point of Interconnection presents a reasonably balanced 3 phase impedance to the Company's system. The determination of reasonableness shall be consistent with good utility practice as defined in Commission Substantive Rules.

4.6.2.1.2 Electrical Disturbances

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Customer agrees to design, install, maintain, and operate, or cause the design, installation, maintenance, and operation of its transmission and/or distribution system and related facilities so as to reasonably minimize the effects of electrical equipment that may produce disruptions (including but not limited to, voltage fluctuations, interference or distorted wave forms) on Company's system. It is the Customer's sole responsibility to provide and install, or cause to be provided and installed, the necessary facilities to limit the adverse effects of said disruptions that may adversely affect the operation of computers, communication equipment, electronic control devices, etc. on Customer's system. Company may require Customer to provide at Customer's expense suitable apparatus to limit the effect of such disruptions caused by electric equipment on Customer's system or connected to Customer's system where the electric equipment producing such disruptions adversely affects Company's system or the service provided by Company to other Customers.

4.6.2.1.3 Change in WDSC's Electrical Load

WDSC shall provide annual written notice to ERCOT of its forecasted peak summer and winter loads for each Point of Interconnection in accordance with applicable ERCOT requirements to enable Company to ensure that its facilities are adequate. In those instances where WDSC has load connected via radial interconnection with Company's system, WDSC shall provide advance written notification to Company when WDSC's load is expected to change substantially from the load forecast provided to ERCOT. Company shall have no obligation to plan its facilities to serve load in excess of the load forecasted by WDSC, and Company may hold WDSC liable for any damage to Company¹s facilities resulting from the use of service in excess of such maximum. Company's plan to serve WDSC's forecasted load may require a Contribution in Aid of Construction pursuant to Section 4.5.6.2 for Standard Facilities or Section 4.5.7 for Non-Standard Facilities.

4.6.2.1.4 Power Factor

Customer shall meet the power factor requirements of ERCOT and the Commission for all Points of Interconnection. If Customer does not meet such requirements, the Company will have the right to require Customer to install

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appropriate equipment to maintain a power factor of not less than the value prescribed by ERCOT and the Commission, or at Company's option, to reimburse Company for the resulting expense to install equipment necessary to compensate for the power factor deficiency.

4.6.3 Tampering With Company's Equipment or Other Property

No Company equipment or other property, whether on Customer's premises or elsewhere, is to be tampered with or interfered with for any reason. Company is not liable for injury to Customer, Customer's employees, or others resulting from tampering with or attempting to repair or maintain any of Company's facilities, and Customer agrees to indemnify and hold Company harmless therefrom.

4.6.4 Unauthorized Use of Service

Unauthorized use of any service covered by this Tariff for Transmission Service shall be governed by the provisions of Commission Substantive Rules 25.191, 25.195, 25.198, 25.200, 25.202, and 25.501 including without limitation Commission Substantive Rule 25.203 pertaining to Alternative Dispute Resolution.

In the event of use or evidence of attempted use of Company's facilities, without Company's authorization, whether by tampering with Company's equipment or by any other means, transmission service may be discontinued by Company. Customer may be required to pay all charges, including the following, before service is resumed.

4.6.4.1 Charges for Unauthorized Use of Service

- a) The charge for the estimated amount of service used without Company authorization which may be estimated based on amounts used under similar conditions during preceding years. Where no previous usage history exists or is considered unreliable, service may be estimated on the basis of usage levels of similar customers and under similar conditions;
- b) The cost of replacement or repair of any damaged equipment; and
- c) The cost of installing protective facilities or of relocation of

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meter, if determined necessary by Company.

4.6.5 Transfer of Electrical Load Between Points of Interconnection

Customer shall obtain authorization from Company prior to transfer of load from any Point of Interconnection to **another Point of Interconnection connected via radial interconnection, unless such transfer is the result of an** emergency condition that threatens to endanger persons or property, in which case, Customer shall notify Company of such transfer as soon thereafter as possible, but in no case, shall such notification be more than 48 hours after such transfer.

4.6 Charges For Service

4.7.1 Rate Schedules For Service

Company has available at each of its business offices various rate schedules for the transmission and related services covered by this Tariff for Transmission Service and provides Customer, at Customer's request and at no cost) a copy of the rate schedule under which Customer is billed. Company provides additional or multiple copies of its rate schedules, or any portion of its tariffs, at reproduction costs. Customer is solely responsible for selecting the applicable rate schedule most favorable to Customer.

4.7.2 Billing

Billing is made in accordance with Commission Substantive Rule 25.202, and other applicable Substantive Rules. Notwithstanding any provisions in the rate schedules with respect to when bills become past due and imposing an increased amount if bills are not paid within a specified time, all bills rendered to "State Agencies", as that term is defined in Chapter 225 I of the Government Code, shall be due and shall bear interest if overdue as provided in said Chapter 2251.

4.7.3 Billing Period

Unless specifically stated in the applicable rate schedule, all charges are billed on an approximate 30-day interval. Monthly bills may be prorated to reflect the actual date of initiation or termination of service.

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4.7.3.1 Disputed Bills

To the extent applicable, billing disputes are governed by the provisions of Commission Substantive Rule 25.203 pertaining to Alternative Dispute Resolution and Commission Substantive Rule 25.202 pertaining to billing.

4.7 Discontinuance of Service

4.7.1 Discontinuance of Service

Customer must notify Company in writing, and in accordance with the provisions of Commission Substantive Rule 25.198, to the extent applicable, of the date Customer desires to discontinue service, and Customer is not held responsible for service after such date unless Customer continues to use service or the terms and conditions of an existing service agreement have not been met. Customer is obligated, however, to pay Company any rates, charges, or fees, for service previously provided under the applicable service agreement and which are owed to Company as of the date of termination.

Company is not obligated, after discontinuance, to again provide service to Customer at the same service location

unless Customer reapplies for and Company agrees to provide service.

If Customer removes its load, resulting in Company facilities becoming stranded, not used and useful, or in any way unrecoverable, Customer shall reimburse the Company a sum equal to the estimated present worth of the unamortized original undepreciated cost (or book) value (if any) for all remaining facilities plus removal costs for all remaining facilities.

4.7.2 Company Discontinues Service

Company, in addition to all other legal remedies, may discontinue service to Customer without liability for any of the reasons permitted under Commission Substantive Rules, or authorized elsewhere in this Tariff for Transmission Service.

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4.7.3 Disconnection of Service for Non Payment to Retail Electric Utility

Company, in accordance with applicable legal authorities and this Tariff, will disconnect service to Customer without liability for a disconnection upon request from the Customer's Retail Electric Utility as that term is defined in Chapter 37 of the Public Utility Regulatory Act.

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4.8 Standard Agreements

4.8.1 DISCRETIONARY SERVICE AGREEMENT

This Discretionary Service Agreement ("Agreement") is made and entered into this day of _____, 20____, by Texas-New Mexico Power Company ("Company"), and _____ ("Customer"), a ___ [specify whether corporation, and if so name state, municipal corporation, cooperative corporation, or other], each hereinafter sometimes referred to individually as "Party" or both referred to collectively as the "Parties." In consideration of the mutual covenants set forth herein, the Parties agree as follows:

- 1. Discretionary Service to be Provided** – Company agrees to provide, and Customer agrees to pay for Discretionary Service in accordance with this Agreement and Company's Rate WDS - Wholesale Discretionary Services contained in Company's Tariff for Transmission Service, as it may from time to time be fixed and approved by the Public Utility Commission of Texas ("PUCT"), including the Service Regulations contained therein ("Company's Tariff for Transmission Service"). A description of the Discretionary Service(s) to be provided, the location at which the Discretionary Service(s) will be provided, and the cost and scheduling of, and any supplemental terms and conditions applicable to, such service(s) are contained in Exhibit A.
- 2. Nature of Service and Company's Tariff for Transmission Service** -- Any Discretionary Service covered by this Agreement will be provided by Company, and accepted by Customer, in accordance with applicable PUCT Substantive Rules and

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Company's Tariff for Transmission Service. During the term of this Agreement, Company is entitled to discontinue service, interrupt service, or refuse service initiation requests under this Agreement in accordance with applicable PUCT Substantive Rules and Company's Tariff for Transmission Service. Company's Tariff for Transmission Service is part of this Agreement to the same extent as if fully set out herein. Unless otherwise expressly stated in this Agreement, the terms used herein have the meanings ascribed thereto in Company's Tariff for Transmission Service.

3. **Discretionary Service Charges** – Charges for any Discretionary Service covered by this Agreement are determined in accordance with Company's Tariff for Transmission Service. Company and Customer agree to comply with PUCT or court orders concerning Discretionary Service charges.

4. **Term and Termination** – This Agreement becomes effective _____ and will thereafter continue in effect until _____. Termination of this Agreement does not relieve Company or Customer of any obligation accrued or accruing prior to termination.

5. **No Other Obligations** – This Agreement does not obligate Company to provide, or entitle Customer to receive, any service not expressly provided for herein. Customer is responsible for making the arrangements necessary for it to receive any further services that it may desire from Company or any third party.

6. **Governing Law and Regulatory Authority** – This Agreement was executed in the State of Texas and must in all respects be governed by, interpreted, construed, and enforced in accordance with the

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laws thereof. This Agreement is subject to all valid, applicable federal, state, and local Laws, ordinances, and rules and regulations of duly constituted regulatory authorities having jurisdiction.

7. **Amendment** – This Agreement may be amended only upon mutual agreement of the Parties, which amendment will not be effective until reduced to writing and executed by the Parties. Changes to applicable PUCT Substantive Rules and Company's Tariff for Transmission Service are applicable to this Agreement upon their effective date and do not require an amendment of this Agreement.

8. **Entirety of Agreement and Prior Agreements Superseded** – This Agreement, including all attached Exhibits and incorporated Company Tariff, which are expressly made a part hereof for all purposes, constitutes the entire agreement and understanding between the Parties with regard to the service(s) expressly provided for in this Agreement. The Parties are not bound by, or liable for, any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof not set forth or provided for herein. This Agreement replaces all prior agreements and undertakings, oral or written, between the Parties with regard to the subject matter hereof, and all such agreements and undertakings are agreed by the Parties to no longer be of any force or effect. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, such agreements are unaffected by this Agreement.

9. **Notices** – Notices given under this Agreement are deemed to have been duly delivered if hand delivered or sent by United States

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certified mail, return receipt requested, postage prepaid, to:

Texas-New Mexico Power Company

Attention: Chris Dobard

Director, System Operations

2641 E. Hwy 6

Alvin, TX 77511

(a) If to Company:

(b) If to Customer:

The above-listed names, titles, and addresses of either Party may be changed by written notification to the other.

10. Invoicing and Payment – Invoices for any Discretionary Service covered by this Agreement will be mailed by Company to the following address (or such other address directed in writing by Customer), unless Customer is capable of receiving electronic invoicing from Company, in which case Company is entitled to transmit electronic invoices to Customer.

If Company transmits electronic invoices to Customer, Customer must make payment to Company by electronic funds transfer. Electronic invoicing and payment by electronic funds transfer will be conducted in accordance with Company's standard procedures.

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Company must receive payment by the due date specified on the invoice. If payment is not received by the Company by the due date shown on the invoice, a late fee will be calculated and added to the unpaid balance until the entire invoice is paid. The late fee will be 5% of the unpaid balance per invoice period.

11. No Waiver – The failure of a Party to this Agreement to insist, on any occasion, upon strict performance of any provision of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties.
12. Taxes – All present or future federal, state, municipal, or other lawful taxes applicable by reason of any service performed by Company, or any compensation paid to Company, hereunder must be paid by Customer.
13. **Headings** – The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and are to be afforded no significance in the interpretation or construction of this Agreement.
14. **Multiple Counterparts** – This Agreement may be executed in two or more counterparts, each of which is deemed an original but all constitute one and the same instrument.
15. **Other terms and conditions** _____.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be sign by their respective duly authorized representatives.

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TEXAS-NEW MEXICO POWER COMPANY

CUSTOMER

BY: _____

BY: _____

Name: _____

Name: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

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4.8.2 AGREEMENT FOR INTERCONNECTION OF DISTRIBUTION GENERATION RESOURCE

Between [CUSTOMER]

as a Distribution Generation Resource, and

Texas-New Mexico Power Company

as the Transmission and Distribution Service Provider, for

[Project Name] [Date]

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Agreement for Interconnection of Distribution Generation Resource

This Interconnection Agreement ("Agreement") is made and entered into this _____ day of _____, 20__, Texas-New Mexico Power Company ("Company"), and _____ ("Customer"), each hereinafter may be referred to individually as "Party" or both referred to collectively as the "Parties."

In consideration of the mutual covenants set forth herein, the Parties agree as follows:

1. Objective and Scope

Company represents that it is a public utility that owns and operates facilities for the transmission and distribution of electricity. Customer represents that it will own and operate a Distribution Generation Resource ("DGR"). It is the intent of the Parties, by this Agreement, to state the terms and conditions under which Customer Facilities will be interconnected to Company Facilities and how Customer Facilities will be operated and dispatched as an ERCOT generation or energy storage resource. This Agreement shall apply to the interconnection and operation of Distribution Generation Resources interconnecting at distribution voltage. DGR by definition is subject to all ERCOT protocols and other ERCOT rules that apply to Generation Resources. This Agreement shall apply to the ownership, design, construction, control, operation, and maintenance of Facilities specifically identified and described in the attached Facility Schedules. This Agreement is applicable only to the distribution-level generators that register with ERCOT as a Generation Resource and does not apply to other distribution-level generators, including Settlement-Only Distribution Generators ("SODG"), and unregistered Distributed Generation.

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2. Definitions

Capitalized terms shall apply and have the meaning as set forth below, except as otherwise specified in the Agreement:

- A. "Agreement" shall mean this Agreement with all Exhibits attached hereto, and any exhibits, schedules and attachments hereafter added by amendment to this Agreement.
- B. "Ancillary Service" shall have the meaning ascribed thereto in Section 2 of the ERCOT Nodal Protocols.
- C. "ANSI Standards" shall mean the American National Standards Institute Standards in effect at the time a new Point of Interconnection is constructed or an existing POI is modified.
- D. "Commercial Operation" shall mean the date on which Customer declares that the construction of Customer Facility has been substantially completed, testing and commissioning of Customer Facility has been completed, and Customer Facility is ready for dispatch.
- E. "Company Facility(ies)" shall mean the network of electrical components, communication, or other common utility equipment installed by Company.
- F. "Customer Facility(ies)" shall mean the network of electrical components installed by Customer in order to supply, transfer, or use electric power and as specified in the Facility Schedule(s).

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- G. "DG Rules" shall mean PUCT Substantive Rules 25.211, relating to Interconnection of Distributed Generation, and 25.212, relating to Technical requirements for Interconnection and Parallel Operation of On- Site Distributed Generation (16 Texas Administrative Code §25.211 and §25.212) or any successor rule(s) addressing distributed generation.
- H. "Distribution Generation Resource" ("DGR") shall mean generation or energy storage resources which are connected to Company's distribution system at less than 60 kV as a Generation Resource capable of being economically dispatched via the ERCOT Security-Constrained Economic Dispatch ("SCED") and eligible to provide Ancillary Services. In addition, a DGR must be registered with ERCOT in accordance with Planning Guide Section 6.8.2, Resource Registration Process, and must be modeled in ERCOT systems in accordance with Section 3.10.7.2, Modeling of Resources and Transmission Loads.
- I. "DOR Integration Study" shall mean the transmission and distribution technical studies required by the Company in order to integrate operation of the Customer Facility with the Company's transmission and distribution system in accordance with all Company operating requirements and consistent with ERCOT protocols and other ERCOT rules. The DGR Integration Study identifies the additional necessary upgrades, improvements, or changes needed to support safe and reliable operations through the distribution interface and into the transmission grid.
- J. "Distributed Generation" ("DG") shall mean an electrical generating facility located at a Customer's point of delivery (point of common coupling) of ten megawatts (MW) or less and connected at a voltage less than 60 kilovolts (kV) which may be connected in parallel operation to the utility system.
- K. "ERCOT" shall mean the Electric Reliability Council of Texas, Inc., or its successor

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in function.

- L. "ERCOT Requirements" shall mean the ERCOT Operating Guides, ERCOT Protocols, as well as any other binding documents adopted by ERCOT relating to the interconnection and operation of electric systems in ERCOT, including any amendments to those Guides, Protocols, and binding documents that are adopted by ERCOT from time to time, and any successors thereto.
- M. "Facility Schedule(s)" shall mean all Exhibits attached to this Agreement, which identify equipment, conditions, and information associated with this Point of Interconnection.
- N. "Generation Resource(s)" shall mean a Customer Facility capable of providing energy or Ancillary Service to the ERCOT System and is registered with ERCOT as a Generation Resource. The term "Generation Resource" does not include a Non-Modeled generator.
- O. "Good Utility Practice" shall have the meaning ascribed thereto in PUCT Substantive Rule 25.5(56), or its successor.
- P. "Governmental Authority(ies)" shall mean any federal, state, local or municipal body having jurisdiction over a Party.
- Q. "IEEE Standards" shall mean the Institute of Electrical and Electronic Engineers Standards in effect at the time a new Point of Interconnection is constructed or an existing POI is modified.
- R. "Impact Study" shall mean the distribution-level, 60 kV or less, steady-state Impact Study performed by Company intended to determine the expected impacts of the proposed Customer Facility on the Company's transmission and distribution

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system. This study takes into account the requested modes of operation and reports the necessary upgrades, improvements, or changes needed to allow the interconnection on the distribution system.

- S. "In-Service Date" shall be the date, as reflected in the Facility Schedule that the Company Facilities will be ready to connect to the Customer Facilities.
- T. "NESC" shall mean the National Electrical Safety Code in effect at the time a new Point of Interconnection is constructed or an existing POI is modified.
- U. "Person" shall mean any individual, partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other entity.
- V. "Point of Interconnection" ("POI") shall mean the point(s) of interconnection specified in Exhibit "A" where the electrical systems of the Parties are connected or may, by the closure of normally open switches, be connected, such that electric power may flow in either direction.
- W. "PUCT" shall mean the Public Utility Commission of Texas or its successor in function.
- X. "RARF" shall mean Resource Asset Registration Form.
- Y. "Reasonable Efforts" shall mean the use of Good Utility Practice and the exercise of due diligence (pursuant to PUCT Rule 25.19 I(d)(3)).
- Z. "SODG" shall mean a Settlement-Only Distribution Generator which is a less than 10 MW generator connected at 60 kV or less and registered with ERCOT as a Settlement Only Generator ("SOG"). They are not dispatchable by ERCOT and telemetry is not required. They are settled in the market for energy only.

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AA. "Tariff" shall mean the applicable Texas-New Mexico Power Company Tariff, either the Tariff for Retail Delivery Service or the Tariff for Transmission Service.

BB. Wholesale Storage Load {"WSL"} shall mean energy that is separately metered from all other facilities to charge a technology that is capable of storing energy and releasing that energy at a later time to generate electric energy. WSL includes losses for the energy conversion process that are captured by the WSL EPS Meter. WSL is limited to the following technologies: batteries, flywheels, compressed air energy storage, pumped hydro-electric power, electro chemical capacitors, and thermal energy storage associated with turbine inlet chilling.

3. Effective Term and Termination Rights

- A. This Agreement becomes effective when executed by both Parties and shall remain in effect until terminated. The Agreement may be terminated for any of the following reasons:
- a. Customer may terminate this Agreement at any time, by giving Company sixty (60) days' advance written notice.
 - b. Company may terminate this Agreement by giving written notice to the Customer upon failure by Customer to reach Commercial Operation within twelve (12) months after the In-Service Date.
 - c. Either Party may terminate this Agreement by giving at least sixty (60) days' advance written notice that a Party is in default of any of the material terms and conditions of this Agreement, however, the notice is required to specify the basis of the request for termination and there is opportunity to cure the default with Reasonable Efforts.

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- d. Company may terminate this Agreement by giving Customer at least sixty (60) days' advance written notice, if possible, in the event of a material change in an applicable rule or statute that necessitates termination of this Agreement. In the event of a termination, Company shall engage in good faith negotiations towards reaching a new interconnection agreement, however the Company does not guarantee such negotiations will result in a new interconnection agreement.
- B. If a Party elects to terminate this Agreement pursuant to this Section 3, Customer shall pay all costs incurred by Company as of the date of receipt by the non-terminating Party of the notice of termination. Customer cost shall include
- a. The costs that Company has incurred for engineering, procuring equipment and materials, right of way acquisition, construction, and any other costs related to the Company Facilities.
 - b. The costs that Company has committed to incur that it is unable to avoid using commercially reasonable steps.
 - c. Costs incurred by Company after the date of termination to return Company's system to a condition consistent with Company's construction standards. In the event of termination by either Party, both Parties shall use Reasonable Efforts to mitigate the damages and charges that they may incur as a consequence of termination. These provisions shall survive termination of this Agreement.
- C. In calculating the costs Company has incurred (or has committed to incur), such costs shall include the normal loadings Company applies to construction projects of this nature and shall be increased by an adder to cover the effects of a Customer payment on the Company's tax liability and

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shall include an amount to recover franchise fees where applicable.

D. Upon termination of this Agreement, the Parties will disconnect the Customer Facilities from the Company Facilities. The Parties will use Reasonable Efforts to coordinate such disconnection and the removal of Customer Facilities and Company Facilities. If the Customer Facilities are not disconnected and/or removed within thirty (30) days of written notice by Company to Customer, Company shall have the right to disconnect the Customer Facilities from the Company Facilities, remove Customer Facilities from property owned or controlled by Company, and restore Company's system to a condition consistent with Company's construction standards. Customer will be responsible for all costs and expenses, in their entirety, for Company to remove Customer Facilities and restore Company's system to a condition of construction standard due to Customer failure to remove Customer Facilities within thirty (30) days. The provisions of this Section shall survive termination of this Agreement.

4. Establishment of Point of Interconnection

Parties agree to interconnect their facilities in accordance with the terms and conditions of this Agreement. The Parties agree to design and construct their individual facilities hereunder in accordance with the following:

- A. Good Utility Practice;
- B. ERCOT Requirements;
- C. PUCT Substantive Rules;
- D. Applicable provisions of the NESC, ANSI Standards, and IEEE Standards, in effect at the time of construction of the interconnection facilities; and

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E. All valid, applicable federal, state, and local laws, ordinances, rules, regulations and orders of, and Tariffs approved by, duly constituted Governmental Authorities.

5. Exclusions and Modifications

The provisions of the DG Rules, which by their terms may not be applicable to this Agreement, are hereby incorporated into this Agreement in their entirety for Customer Facilities, and all such Customer Facilities must adhere to all applicable provisions of the DG Rules. Provided, however, that the provisions of the DG Rules that are inconsistent with the intended operation of Customer Facilities as a DGR are not incorporated into this Agreement, and provided further that in the event of any conflict between the provisions of the DG Rules and the provisions of this Agreement, this Agreement will control. This Agreement does not fall under jurisdiction of NERC or NERC Reliability Standards except where explicitly described for the operation of Customer Facilities.

6. Right of Access, Equipment Installation, Removal & Inspection

A. Upon reasonable notice, Company shall be granted access to Customer's premises to inspect the Customer Facility and observe the commissioning (including any testing), startup, and operation of the Customer Facility.

B. Following initial inspection as described in Subsection 6(A.) at reasonable hours and upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, Company shall have access to Customer's premises for any reasonable purpose in connection with the performance of the obligations imposed by the terms and conditions of this Agreement, or if necessary to meet its obligations to

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provide service to its customers.

- C. Customer warrants that it has, or has obtained from other entities, all necessary rights to provide Company access to the Customer's premises, as necessary or appropriate for Company to exercise its rights under this

7. Modifications of Customers Facilities

Customer agrees that prior to making any modifications to Customer Facilities including but not limited to changes in Ancillary Services or the services studied at the time of interconnection that substantially affect the interconnection facilities and/or associated system protection equipment and/or system protection settings, and/or other parameters associated with the interconnection between the Customer Facility and Company Facilities (including but not limited to the installation of new or upgraded facilities), Customer must provide notification and receive written approval from Company, prior to making such modifications.

8. Service Interruptions

- A. Company shall have the right to suspend service in cases where continuance of service to Customer will endanger Persons or property. During a forced outage of the Company Facilities, Company shall have the right to suspend service to effect immediate repairs of the Company Facilities.
- B. The Parties recognize that the interruption of service provisions of Company's applicable Tariff and the applicable provisions of the PUCT Substantive Rules give Company the right to disconnect the Company Facility from Customer Facility under the conditions specified therein.

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Customer will promptly disconnect Customer Facility from the Company Facility when required by and in accordance with Company's applicable Tariff and the applicable provisions of the PUCT Substantive Rules or ERCOT Requirements, provided that Company shall have the right to disconnect Customer Facility from the Company Facility if Customer fails to comply with any such disconnection requirement or if Customer fails to comply with the terms of the applicable Company Tariff including failure to pay charges assessed, pursuant to the applicable Company Tariff.

9. Metering, Telemetry, and Communication Requirements

- A. Metering, telemetry, and communication of data by Company and Customer hereunder will be in accordance with ERCOT Requirements. Company will specify data to be provided to Company by Customer. Company shall, in accordance with Company Tariff, ERCOT Requirements and Good Utility Practice, install, own, operate, inspect, test, and maintain certain metering, telemetry, and communications equipment associated with the interconnection and operation of the Customer Facility.
- B. Customer shall, in accordance with ERCOT Requirements and Good Utility Practice, install, own, operate, inspect, test, calibrate, and maintain certain metering, telemetry, and communications equipment associated with the interconnection and operation of the Customer Facility. The interconnection of the Customer Facility with the Company Facilities shall not interfere with the operation of Company's metering, telemetry, or communications equipment.
- C. Company will notify Customer no less than seven (7) business days in advance of any planned maintenance, inspection, testing, or calibration of

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metering equipment, telemetry, or communications equipment unless otherwise agreed to in writing. Customer, shall have the right to be present for these activities and to receive copies of appropriate documents related to the procedures and results.

- D. Prior to the connection of the Customer Facility, acceptance tests **will** be performed by the Parties to ensure the proper functioning of all metering, telemetry and communications equipment associated with the interconnection and operation of the Customer Facility, and to verify the accuracy of data received by Company and Customer. All acceptance tests will be performed consistent with ERCOT Requirements and Good Utility Practice.
- E. Customer will own and install the necessary communications facilities for provision of SCADA communications and telemetry to Customer's energy management system and to Company's system dispatch center consistent with ERCOT Requirements. All communications facilities delivering data to Company shall meet Company's requirements. If there is a conflict between Company requirements and ERCOT Requirements, Company requirements shall prevail.

Company shall, in accordance with Good Utility Practice and applicable requirements, specify the communications facilities necessary to transmit data from Customer's metering and telemetry facilities to Company's system dispatch center.

- F. Each Party will promptly advise the other Party if it detects or otherwise learns of any metering, telemetry or communications equipment error or malfunction that requires attention and/or correction by the other Party. The Party owning such equipment shall correct such error or malfunction as

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soon as reasonably feasible in accordance with ERCOT Requirements.

- G. Any change to Customer's meters, telemetry equipment, voltage transformers, current transformers, associated panels, hardware, conduit or cable, which will affect the data received by Customer must be approved in writing by Company prior to Customer making such change.

10. System Protection and Other Controls Requirements

- A. Customer shall install and maintain equipment necessary to automatically disconnect Customer Facilities from Company Facilities in the event of a fault on the Company electrical distribution system. Design of Customer Facilities is subject to Company review as to suitability for safe, compatible, reliable interconnection and operation with the Company Facilities so as to not reduce or adversely impact the quality of electric service provided by Company to all customers. Customer will provide to Company a relaying one line diagram and any related drawings or other documents pertaining to system protection and other controls requested by Company. Customer Facilities will include a fault interrupting device at the Point of Interconnection capable of interrupting the available fault current. For unintentional islanding event in which the Customer Facility energizes a portion of the Company system through the Point of Interconnection, the Customer's system protection facilities shall detect such islanding, disconnect from, and cease to energize the Company Facilities within two (2) seconds.
- B. Customer Facility will comply with ERCOT Requirements concerning voltage ride-through, under-frequency and over-frequency relaying, and primary frequency response.

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11. System Disturbance Analysis, Testing and Commissioning

A. Each Party will test, operate and maintain system protection equipment in accordance with Company requirements and ERCOT Requirements. Prior to the In-Service Date, and again prior to Commercial Operation, each Party or its agent shall perform all required testing of system protection equipment. Customer agrees that acceptable relay test reports will be provided to Company and on-site commissioning acceptance testing shall be performed prior to final commissioning of the Customer Facility. Customer agrees to submit to Company preliminary relay settings for all applicable relaying. After Company and Customer agree on the applicable relay settings, Customer will provide final relay settings to Company. Upon completion of acceptance testing, Customer will provide its relay testing documentation to Company certifying that all relaying and protection equipment has been properly tested prior to the Customer Facilities achieving in service.

B. At intervals suggested by Good Utility Practice, or at intervals described in ERCOT Requirements if so defined therein, and following any apparent malfunction of the system protection equipment, each Party shall perform required testing or functional trip tests of its system protection equipment. Each Party will provide reasonable advance notice to the other Party of testing of its system protection equipment under this section and, if requested, allow the Party to have representatives present during testing of its system protection equipment.

C. Recording equipment shall be installed to analyze all system disturbances

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in accordance with ERCOT Requirements.

12. System Operation and Maintenance

Each Party shall operate and maintain its facilities in accordance with Good Utility Practice, NESC, ERCOT Requirements, PUCT Substantive Rules, and all other applicable laws, regulations, codes, and standards. Subject to any necessary ERCOT approval, each Party shall provide necessary equipment outages to allow the other Party to perform periodic maintenance, repair or replacement of its Facilities. Such outages shall be scheduled at mutually agreeable times, unless conditions exist which a Party believes, in accordance with Good Utility Practice, may endanger Persons or property, provided that, in the event that the Parties make all Reasonable Efforts to schedule an outage but are unable to agree on a mutually agreeable schedule, Company's schedule shall control. No changes will be made in the normal operation of the Point of Interconnection without the mutual agreement of the Parties except as otherwise provided herein. All testing of the Customer Facility that will affect the operation of the Company Facilities shall be coordinated between Company and Customer, and will be conducted in accordance with ERCOT Requirements.

- A. Any switching or clearances of the Company Facilities or Customer Facilities will be done in accordance with ERCOT Requirements, Company's switching procedures, and Good Utility Practice.
- B. Consistent with ERCOT Requirements and the Parties' mutually acceptable procedure, Customer shall be responsible for the proper synchronization of the Customer Facility with the Company Facilities.
- C. Customer shall procure, install, maintain and operate power system

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stabilizers in accordance with ERCOT Requirements, if required.

- D. The Parties shall maintain network operating model updates in accordance with the ERCOT Requirements.
- E. Each Party will establish and maintain a response plan that requires immediate response in the event of an emergency. Each Party shall have a control center that is staffed 24 hours per day, 7 days per week, with personnel capable of making operating decisions and possessing the ability to effect control of its facilities at the Point of Interconnection (or make appropriate arrangements for a third party to establish and maintain such a control center on its behalf). For purposes of voice communications between the Parties' control centers or the assigned contact personnel, phone numbers and email addresses will be exchanged and each Party will be notified of any changes moving forward.

13. Scheduled and Unscheduled Outages and Clearances

Each Party shall provide outage notification to the other Party, including for unscheduled (forced) outages and planned outages, in accordance with ERCOT Requirements and Good Utility Practice.

- A. In the event of an unscheduled (forced) outage occurring within the Company system that will affect service to the Customer Facility, Company shall promptly notify Customer and Customer's Qualified Scheduling Entity ("QSE"). Customer shall update its Current Operating Plan ("COP") status, telemetered status (if appropriate), and the ERCOT outage scheduler accordingly. Following restoration of the affected Company Facilities, Company shall promptly notify Customer when the Company Facilities

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are ready to be re-energized. Re-energization of the Company Facilities and the Customer Facility shall be coordinated among Company, Customer, ERCOT, and QSE, as necessary.

- B. In the event of an unscheduled (forced) outage of Customer Facility, Customer shall promptly notify Company and provide all relevant details of the outage (facilities affected, expected duration of the outage, request for clearance, etc.). Customer shall update the ERCOT outage scheduler in accordance with ERCOT Requirements. If clearance is requested, Customer shall not perform restoration of the affected facilities until Company has notified Customer that it may proceed with restoration. Following restoration of the Customer Facilities, Customer shall promptly notify Company when the facilities are ready to be re-energized. Re-energization of the Customer Facility will be coordinated among Company, Customer, ERCOT, and QSE, as necessary.
- C. In the event of a scheduled outage of the Company Facilities, Company shall notify Customer no less than (7) business days prior to the scheduled outage. Company shall notify Customer when the Company Facilities are ready to be re-energized. Re-energization of the Company Facilities and the Customer Facility shall be coordinated among Company, Customer, ERCOT, and QSE, as necessary.
- D. In the event of a scheduled outage of the Customer Facility, Customer shall notify Company no less than seven (7) business days prior to the requested outage and provide all relevant details of the outage (facilities affected, expected duration of the outage, request for clearance, etc.). Customer shall notify Company when the Customer Facilities are ready to be re-energized. Re-energization of the Customer Facility will be coordinated among Company, Customer, ERCOT, and QSE, as necessary.

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14. Performance Obligation & Financial Security Arrangements

- A. The Customer will acquire, construct, operate, test, maintain and own Customer Facilities at its sole expense and responsibility. In addition, the Customer may be required to make a Contribution In Aid of Construction ("CIAC"), as described within Exhibit "C" in accordance with applicable rules of the PUCT.
- B. The Company will acquire, own, operate, test, and maintain all Facilities designated as Company at its sole expense and responsibility.
- C. The Company may require the Customer to provide a reasonable means of security to cover the costs of planning, licensing, procurement of necessary equipment and materials, and construction of the Interconnection Facilities. Requirements pertaining to security arrangements are specified within Exhibit "D" of the Agreement. If the Customer Facility has not achieved Commercial Operation within twelve (12) months after the scheduled Commercial Operation date, as identified in Exhibit "G", or if the Customer terminates this Agreement in accordance with Section 3 the Company may retain security required to recover the costs the Company has incurred in planning, licensing, procurement of necessary equipment and materials, and construction of the Interconnection Facilities. If a cash deposit is made pursuant to Exhibit "D", any repayment of such cash deposit shall include interest at a rate applicable to customer deposits as established from time to time by the PUCT or other Governmental Authority.

15. Insurance

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Customer shall, at its own expense, maintain in force throughout the period of this Agreement and until released by Company the following minimum insurance coverages, with insurers authorized to do business in Texas, and in accordance with the following requirements:

- A. Employers' liability and worker's compensation insurance providing statutory benefits in accordance with the laws and regulations of the State of Texas. The minimum limits for the employer's liability insurance shall be one million dollars (\$1,000,000) each accident bodily injury by accident, one million dollars (\$1,000,000) each employee bodily injury by disease, and one million dollars (\$1,000,000) policy limit bodily injury by disease.

- B. Commercial general liability insurance including premises and operations, personal injury, broad form property damage, broad form blanket contractual liability coverage (including coverage for the contractual indemnification), products and completed operations coverage, coverage for explosion, collapse and underground hazards, independent contractors coverage, coverage for pollution to the extent normally available and punitive damages to the extent normally available and a cross liability endorsement, with minimum limits of one million dollars (\$1,000,000) per occurrence / one million dollars (\$1,000,000) aggregate combined single limit for personal injury, bodily injury, including death and property damage.

- C. Comprehensive automobile liability insurance for coverage of owned, non-owned and hired vehicles, trailers or semi-trailers designed for travel on public roads, with a minimum combined single limit of one million dollars (\$1,000,000) per occurrence for bodily injury, including death, and property damage.

- D. Excess public liability insurance over and above the employer's liability,

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commercial general liability and comprehensive automobile liability insurance coverage, with a minimum combined single limit of five million dollars (\$5,000,000) per occurrence.

- E. The commercial general liability insurance, comprehensive automobile liability insurance, and excess public liability insurance policies shall name Company, its parent, associated and affiliated companies and their respective directors, officers, agents, servants and employees ("Other Party Group") as additional insured. All policies shall contain provisions whereby the insurers waive all rights of subrogation in accordance with the provisions of this Agreement against the Other Party Group and provide thirty (30) days' advance written notice to Other Party Group prior to anniversary date of cancellation or any material change in coverage or condition.
- F. The commercial general liability insurance, comprehensive automobile liability insurance and excess public liability insurance policies shall contain provisions that specify that the policies are primary and shall apply to such extent without consideration for other policies separately carried and shall state that each insured is provided coverage as though a separate policy had been issued to each, except the insurer's liability shall not be increased beyond the amount for which the insurer would have been liable had only one insured been covered. Customer shall be responsible for its respective deductibles or retentions.
- G. The commercial general liability insurance, comprehensive automobile liability insurance and excess public liability insurance policies, if written on a claims first made basis, shall be maintained in full force and effect for two (2) years after termination of this Agreement, which coverage may be in the form of tail coverage or extended reporting period coverage if agreed by

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the Parties.

- H. The requirements contained herein as to the types and limits of all insurance to be maintained by Customer are not intended to and shall not in any manner, limit or qualify the liabilities and obligations assumed by each Party under this Agreement.
- I. Within ten (10) days following execution of this Agreement, and as soon as practicable after the end of each fiscal year or at the renewal of the insurance policy and in any event within ninety (90) days thereafter, Customer shall provide to Company certification of all insurance required in this Agreement, executed by each insurer or by an authorized representative of each insurer.
- J. Notwithstanding the foregoing, Customer may self-insure to the extent it maintains a self-insurance program, provided that Customer's senior secured debt is rated at investment grade, or better, by Standard & Poor's or Moody's Investor's Service. For any period of time that Customer's senior secured debt is unrated by Standard & Poor's and Moody's Investor's Service or is rated at less than investment grade by Standard & Poor's and Moody's Investor's Service, Customer shall comply with the insurance requirements applicable to it under Sections 15(A) through (I). In the event that Customer is permitted to self-insure pursuant to this Section 15(J), it shall not be required to comply with the insurance requirements applicable to it under Sections 14(a) through (i).
- K. Each Party shall report to the other Party in writing as soon as practical all accidents or occurrences resulting in injuries to any Person, including death, and any property damage arising out of this Agreement.

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16. Limitation of Liability and Indemnification

- A. The terms "Delivery Service" and "Construction Service" used in this Section shall have the meaning ascribed to them in Company's Tariff for Retail Delivery Service.
- B. Company will make reasonable provisions to supply steady and continuous Delivery Service, but does not guarantee the Delivery Service against fluctuations or interruptions. Company will not be liable for any damages, whether direct or consequential, including, without limitation, loss of profits, loss of revenue, or loss of production capacity, occasioned by fluctuations or interruptions unless it be shown that Company has not made reasonable provision to supply steady and continuous Delivery Service, consistent with the Customer's class of service, and in the event of a failure to make such reasonable provisions, whether as a result of negligence or otherwise, Company's liability shall be limited to the cost of necessary repairs of physical damage proximately caused by the service failure to those electrical delivery facilities of Customer which were then equipped with the protective safeguards recommended or required by the then current edition of the National Electrical Code.
- C. Company will make reasonable provisions to provide Construction Service, but does not guarantee the timeliness of initiating or completing such Construction Service nor the suitability of such facilities for Customer's specific uses. Company will not be liable for any damages, whether direct or consequential, including, without limitation, loss of profits, loss of revenue, or loss of production capacity,

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occasioned by the failure to provide timely or suitable Construction Service. The term "Construction Service" in this paragraph includes any and all services that (a) are provided, (b) fail to be provided, or (c) fail to be timely provided by Company, from the time Customer first contacts Company with respect to the provision of any type of Construction or Delivery Service.

- D. However, if damages result from failure to provide timely or suitable Construction Service or fluctuations or interruptions in Delivery Service that are caused by Company's or Customer's gross negligence or intentional misconduct, this Section shall not preclude recovery of appropriate damages when legally due.
- E. Company and Customer shall use Reasonable Efforts to avoid or mitigate its damages or losses suffered as a result of the other's culpable behavior under this Section. Neither Company nor Customer shall be liable for damages for any act or event that is beyond such party's control and which could not be reasonably anticipated and prevented through the use of reasonable measures, including, but not limited to, an act of God, act of the public enemy, act of terrorism, war, insurrection, riot, fire, explosion, labor disturbance or strike, wildlife, unavoidable accident, equipment or material shortage, breakdown or accident to machinery or equipment, or good faith compliance with a then valid curtailment, order, regulation or restriction imposed by governmental, military, or lawfully established civilian authorities, including any order or directive of ERCOT.

17. Written Notices

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Except as otherwise provided in Exhibit "B", any formal notice, demand or request provided for in this Agreement shall be in writing and shall be deemed properly served, given or made if delivered in person, or sent by either registered or certified mail, postage prepaid, overnight mail or fax to the address or number identified in Exhibit "B". Either Party may change the notice information in Exhibit "B" by giving five (5) business days' written notice prior to the effective date of the change.

18. Successors and Assignments

This Agreement may be assigned by either Party only with the written consent of the other; provided that either Party may assign this Agreement without the consent of the other Party to any affiliate of the assigning Party with an equal or greater credit rating and with the legal authority and operational ability to satisfy the obligations of the assigning Party under this Agreement; and provided further that Customer shall have the right to assign this Agreement, without the consent of Company, for collateral security purposes to aid in providing financing for the Customer Facility, provided that Customer will require any secured party, trustee or mortgagee to notify Company of any such assignment. Any financing arrangement entered into by Customer pursuant to this Section will provide that prior to or upon the exercise of the secured party's, trustee's or mortgagee's assignment rights pursuant to said arrangement, the secured creditor, the trustee or mortgagee will notify Company of the date and particulars of any such exercise of assignment right(s). Any attempted assignment that violates this Section is void and ineffective. Any assignment under this Agreement shall not relieve a Party of its obligations, nor shall a Party's obligations be enlarged, in whole or in part, by reason thereof. Where required, consent to assignment will not be unreasonably withheld, conditioned or delayed.

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19. Governing Law and Applicable Tariffs

- A. This Agreement for all purposes shall be construed in accordance with and governed by the laws of the State of Texas, excluding conflicts of law principles that would refer to the laws of another jurisdiction. The Parties submit to the jurisdiction of the federal and state courts in the State of Texas.

- B. This Agreement is subject to all valid, applicable rules, regulations and orders of, and Tariffs approved by duly constituted Governmental Authorities.

- C. Each Party expressly reserves the right to seek changes in, appeal, or otherwise contest any laws, orders, rules, or regulations of a Governmental Authority.

- D. This Agreement is applicable only to the interconnection of Customer Facility to Company Facility at the Point of Interconnection and does not obligate either Party to provide, or entitle either Party to receive, any service not expressly provided for herein. Each Party is responsible for making the arrangements necessary for it to receive any other service that it may desire from the other Party or any third party. This Agreement does not address the sale or purchase of any electric energy or Ancillary Services by either Party, either before or after Commercial Operation.

- E. This Agreement, including all Facility Schedules, constitutes the entire agreement and understanding between the Parties with regard to the

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interconnection of the facilities of the Parties at the Point of Interconnection expressly provided for in this Agreement. The Parties are not bound by or liable for any statement, representation, promise, inducement, understanding, or undertaking of any kind or nature (whether written or oral) with regard to the subject matter hereof if not set forth or provided for herein. This Agreement replaces all other agreements and undertakings, oral and written, between the Parties with regard to the subject matter hereof. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein; such agreements are unaffected by this Agreement.

20. Default and Force Majeure

- A. The term "Force Majeure" as used herein shall mean any cause beyond the reasonable control of the Party claiming Force Majeure, and without the fault or negligence of such Party, which materially prevents or impairs the performance of such Party's obligations hereunder, including but not limited to, storm, flood, lightning, earthquake, fire, explosion, failure or imminent threat of failure of facilities, civil disturbance, pandemic, strike or other labor disturbance, sabotage, war, national emergency, or restraint by any Governmental Authority.
- B. Neither Party shall be considered to be in Default (as hereinafter defined) with respect to any obligation hereunder, other than the obligation to pay money when due, if prevented from fulfilling such obligation by Force Majeure. A Party unable to fulfill any obligation hereunder (other than an obligation to pay money when due) by reason of Force Majeure shall give notice and the full particulars of such Force Majeure to the other Party in writing within seven (7) days of the occurrence claimed to constitute

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Force Majeure, which notice shall state full particulars of the Force Majeure, the time and date when the Force Majeure occurred and when the Force Majeure is reasonably expected to cease. Failure to give the required notice shall constitute a waiver of any claim of Force Majeure. The Party affected shall exercise due diligence to remove such disability with reasonable dispatch, but shall not be required to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or other labor disturbance.

- C. The term "Default" shall mean the failure of either Party to perform any obligation in the time or manner provided in this Agreement. No Default shall exist where such failure to discharge an obligation is excused pursuant to section titled "Default and Force Majeure" or is the result of an act or omission of the other Party or any of its agents. Upon discovery of a Default, the non-defaulting Party may give notice of such Default to the defaulting Party. Except as provided in the next paragraph, the defaulting Party shall have thirty (30) days from receipt of the Default notice within which to cure such Default; provided, however, if such Default is not capable of cure within thirty (30) days, the defaulting Party shall commence such cure within twenty (20) days after receipt of the Default notice and continuously and diligently exercise its efforts to complete such cure within ninety (90) days from receipt of the Default notice; and, if cured within such time, the Default specified in such notice shall cease to exist.
- D. If a Default is not cured as provided in this Section, or if a Default is not capable of being cured within the period provided for therein, the non-defaulting Party shall have the right, in its sole discretion but subject to receipt of any regulatory approvals required by applicable law, to terminate at any time until a cure occurs either this Agreement or any Facility

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Schedule as to which the Default relates and disconnect the associated Points of Interconnection by providing 14 calendar days written notice to the Defaulting Party. Upon termination, the terminating Party is relieved of any further obligations (other than obligations associated with its own Defaults, if any, occurring prior to termination) either under this Agreement if that Party shall have elected to terminate this Agreement, or with respect to the terminated Facility Schedule(s) and disconnected Point of Interconnection(s) if that Party shall have elected to only terminate any Facility Schedules as to which the Default relates. Irrespective of whether a Party terminates this Agreement or any Facility Schedule, that Party is entitled to recover from the defaulting Party all amounts due and receive all other remedies to which it is entitled under this Agreement or other applicable tariffs, rules, or law. The provisions of this Section will survive termination of this Agreement

- E. The failure of a Party to insist, on any occasion, upon strict performance of this Agreement will not be considered to waive the obligations, rights, or duties imposed upon the Parties by this Agreement.

21. Interconnection Outside of ERCOT

The operation of Customer Facility by Customer shall not cause there to be a synchronous or an asynchronous interconnection between ERCOT and any other facilities operated outside of ERCOT unless ordered by the Federal Energy Regulatory Commission under Section 210 of the Federal Power Act, and shall be referred to as "Intrastate Operation". The Parties recognize and agree that any such interconnection will constitute an adverse condition giving Company the right to immediately disconnect

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Company Facilities from Customer Facilities, until such interconnection has been disconnected.

22. Invoicing and Payment

Unless the Parties otherwise agree (in a manner permitted by applicable PUCT Substantive Rules or Company Tariff), invoicing and payment rights and obligations under this Agreement shall be governed by Company Tariffs and PUCT Substantive Rules or the rules and regulations of the applicable Governmental Authority. Invoices shall be rendered to the paying Party at the address specified herein, and payments shall be made in accordance with this Agreement.

23. Land Rights and Easements

Terms and conditions addressing the rights of Company and Customer regarding any facilities located on the other Party's property shall, if necessary, be addressed in a separate, duly executed and recorded easement agreement between the Parties.

24. Confidentiality

Subject to the exception in this section, any information that a Party claims is competitively sensitive, commercial or financial information under this Agreement ("Confidential Information") shall not be disclosed by the other Party to any Person not employed or retained by the other Party, except to the extent disclosure is:

- A. Required by law.
- B. Reasonably deemed by the disclosing Party to be required to be disclosed in connection with a dispute between or among the Parties, or the defense of litigation or dispute.
- C. Permitted by consent of the other Party, such consent not to be unreasonably withheld.

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D. Necessary to fulfill its obligations under this Agreement or as a transmission service provider, including disclosing the Confidential Information to ERCOT. The Party asserting confidentiality shall promptly notify the other Party in writing of the information it claims is confidential. Prior to any disclosures of the other Party's Confidential Information under this Section, or if any third party or Governmental Authority makes any request or demand for any of the information described in this Section, the disclosing Party agrees to promptly notify the other Party in writing and agrees to assert confidentiality and cooperate with the other Party in seeking to protect the Confidential Information from public disclosure by confidentiality agreement, protective order or other reasonable measures. This provision shall not apply to any information that was or is hereafter in the public domain (except as a result of a breach of this provision). Each Party agrees to:

- i. Furnish upon request to the other Party such further information;
- ii. Execute and deliver to the other Party such other documents; and
- iii. Do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents referred to in this Agreement. Without limiting the generality of the foregoing, Company shall, at Customer's expense, when reasonably requested to do so by Customer at any time after the execution of this Agreement, prepare and provide such information in connection with this Agreement (including, if available, resolutions, certificates, opinions of counsel or other documents relating to Company's corporate authorization to enter into this Agreement and to undertake the obligations set out herein) as may be reasonably required by any potential lender to Customer under a proposed loan agreement. Company will use commercially Reasonable Efforts to obtain any opinion of counsel reasonably requested by Customer, but

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Company shall not be in Default of any obligation under this Agreement if Company is unable to provide an opinion of counsel that will satisfy any potential lender to Customer. Specifically, upon the written request of one Party, the other Party shall provide the requesting Party with a letter stating whether or not, up to the date of the letter, that Party is satisfied with the performance of the requesting Party under this Agreement.

25. No Annexation

Any and all equipment placed on the premises of a Party shall be and remain the property of the Party providing such equipment regardless of the mode and manner of annexation or attachment to real property, unless otherwise mutually agreed to in writing by the Parties.

26. Construction Timelines, Customer Completion of Project

Customer agrees if substantial Customer project construction does not begin within six months of the execution of this Agreement and such delay is not materially caused by a delay of Company in designing, procuring equipment and contracting the interconnection facilities, then Customer may be subject to revised utility system interconnection requirements which could result in requests for additional funding.

27. Miscellaneous Provisions

A. This Agreement shall not affect the obligations or rights of either Party with respect to other agreements. Each Party represents to the other that there is no agreement or other obligation binding upon it, which, as such Party is presently aware, would limit the effectiveness or frustrate the purpose of this Agreement.

B. This Agreement may be executed in two or more counterparts, each of

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which is deemed an original, but all constitute one and the same instrument.

C. If any provision in this Agreement is finally determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void or make unenforceable any other provision, agreement or covenant of this Agreement.

28. Representations and Restrictions on Foreign Ownership and Affiliation

Customer represents and warrants that it does not meet any of the ownership, control, or headquarters criteria listed in Lone Star Infrastructure Protection Act, Chapter 113 of the Texas Business Commerce Code, as added by Act of June 18, 2021, 87th Leg., R.S., Ch. 975 (S.B. 2116) (relating to China, Iran, North Korea, Russia, and any other country designated by the Texas governor as a threat to critical infrastructure).

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized representatives.

Texas-New Mexico Power Company	
BY: _____	BY: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____