



TEXAS-NEW MEXICO POWER COMPANY

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LEWISVILLE, TX 75067

**WHOLESALE TARIFF
FOR
TRANSMISSION SERVICE**

**TEXAS-NEW MEXICO POWER COMPANY
TARIFF FOR TRANSMISSION SERVICE**

Chapter 1: Definitions

Applicable: Entire Certified Service Area

Effective Date: February 1, 2011

Page No.: ii

REVISION: 1

TABLE OF CONTENTS

1.0	Preliminary Statement.....	1
2.0	Wholesale Transmission Services	2
3.0	Rate Schedules.....	3
3.1	Rate NTS – Network Transmission Service	4
3.2	Rate DLS – Wholesale Distribution Line Service	6

**TEXAS-NEW MEXICO POWER COMPANY
TARIFF FOR TRANSMISSION SERVICE**

Chapter 1: Definitions

Applicable: Entire Certified Service Area

Effective Date: February 1, 2011

Page No.: 1

REVISION: 1

1.0 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").

**TEXAS-NEW MEXICO POWER COMPANY
TARIFF FOR TRANSMISSION SERVICE**

Chapter 2: Wholesale Transmission and Related Services

Applicable: Entire Certified Service Area

Effective Date: February 1, 2011

Page No.: 2

REVISION: 1

2.0 Wholesale Transmission Services

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.

**TEXAS-NEW MEXICO POWER COMPANY
TARIFF FOR TRANSMISSION SERVICE**

Chapter 3: Rate Schedules

Applicable: Entire Certified Service Area

Effective Date: September 1, 2009

Page No.: 3

Original

3.0 Rate Schedules

**TEXAS-NEW MEXICO POWER COMPANY
TARIFF FOR TRANSMISSION SERVICE**

Chapter 3: Rate Schedules

Applicable: Entire Certified Service Area

Effective Date: September 27, 2012

Page No.: 4

Revision 4

3.1 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.

Monthly Rate

Network Transmission Service Charge	=	\$0.511161	per kW
Hurricane Cost Recovery Factor (5 years)	=	\$0.000220	per kW
Rate Case Expense - Docket No. 38880*	=	\$0.002403	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. 38880 has been recovered (no more and no less).

The amount payable for Network Transmission Service for a month is equal to the product of (a) the sum of (i) one-twelfth of the Network Transmission Service Charge plus (ii) one-twelfth of the Hurricane Cost Recovery Factor plus (iii) one-twelfth of the Rate Case Expense(s) (Docket No. 38480/38880) multiplied by (b) the Customer's Utility System Demand. 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.

**TEXAS-NEW MEXICO POWER COMPANY
TARIFF FOR TRANSMISSION SERVICE**

Chapter 3: Rate Schedules

Applicable: Entire Certified Service Area

Effective Date: September 27, 2012

Page No.: 5

Revision 4

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.

For Customers directly connected to the Company facilities, the Customer shall enter into an interconnection agreement with the Company covering the specific terms and conditions for the point(s) of interconnection.

Notice

Service hereunder is subject to the orders of regulatory authorities having jurisdiction and to the provisions of this Tariff for Transmission Service.

**TEXAS-NEW MEXICO POWER COMPANY
TARIFF FOR TRANSMISSION SERVICE**

Chapter 3: Rate Schedules

Applicable: Entire Certified Service Area

Effective Date: February 1, 2011

Page No.: 6

Revision: 1

3.2 Rate DLS – Wholesale Distribution Line Service

Application

Applicable to all Distribution Service Providers receiving Distribution Line Service (“Customers”), supplied at one point of delivery and measured through one meter, necessary to support the transmission of electric energy for purposes of resale to Retail Customers, other public utilities, qualifying facilities, exempt wholesale generators, or power marketers from resources to loads. 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 the Company’s standard primary distribution voltages (below 60 kV).

Monthly Rate

Customer Charge	=	\$34.50	per point of delivery
Metering Charge	=	\$204.98	per point of delivery
Distribution System Charge	=	\$2.3431	per Billing kVA

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 date in the service agreement between

**TEXAS-NEW MEXICO POWER COMPANY
TARIFF FOR TRANSMISSION SERVICE**

Chapter 3: Rate Schedules

Applicable: Entire Certified Service Area

Effective Date: February 1, 2011

Page No.: 7

Revision: 1

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 hereunder is subject to the orders of regulatory authorities having jurisdiction and to the provisions of this Tariff for Transmission Service.