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REFER TO FILE NO. 109-29-15-2

June 28, 2000

Debra R. Scott, Director
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

JUN 28 2000

DOCKETED BY [Signature]

Re: Navopache's Unbundled Standard Offer Tariff(s)
Docket Nos. RE-00000C-94-0165 and E-01787A-98-0465

Dear Ms. Scott:

Navopache Electric Cooperative, Inc., submits its Unbundled Standard Offer Tariff(s). This is required by Arizona Corporation Commission Decision No. 62612 approving the Settlement Agreement regarding Navopache's implementation plan for stranded cost recovery and unbundled standard offer rates.

Any parties interested in receiving a copy of Navopache's Unbundled Standard Offer Tariff(s) should contact our office and a copy will be provided.

If the Commission has any questions or concerns, please do not hesitate to contact Martinez & Curtis, P.C.

Very truly yours,
Paul R. Michaud

Paul R. Michaud
For the Firm

PRM/trs

Enclosures: Unbundled Tariff(s)
Certificate of Mailing

cc: Wayne Retzlaff
Paul O'Dair
David Berry

109/-29-15-2/letters/ds(acc)-unbundled tariffs 6.26.00

CERTIFICATE OF MAILING

Copies of the letter to the Commission regarding Navopache's Unbundled Standard Offer Tariff(s) mailed this 28th day of June, 2000 to Service Lists for RE-00000C-94-0165 and E-01787A-98-0465.

By Kristina R. Stowe
Kristina R. Stowe
Secretary to Paul R. Michaud

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 1 – S.O.
RESIDENTIAL, FARMS, SCHOOLS, CHURCHES AND COMMUNITY HALLS
(UNBUNDLED STANDARD OFFER SERVICES)

Page 1 of 3

Availability:

Available to residential and farm consumers, and to schools, churches, and community halls requiring single phase service throughout the cooperative service area where the facilities of the cooperative are of adequate capacity and are adjacent to premises. Service is subject to the rules and regulations of the cooperative.

Applicability:

To all single phase residential, farm, school, church and community hall electric service in individual locations and individually metered apartments and for non-seasonal farm use when all service is supplied at one point of delivery and energy is metered through one meter. This rate is applicable to consumers who elect to obtain Standard Offer service from Navopache Electric Cooperative, Inc.

Not applicable for resale, breakdown, stand-by or auxiliary service.

Type of Service:

Single phase 60 cycles, nominal 120/240 volts, 120/208 volts, 3 wire, and limited to individual motors of 10 HP or less that will not cause excessive voltage fluctuations, supplied through one set of service wires and metered through one meter.

Optional Time of Use Rate

An optional time of use rate is offered. The optional rate is voluntary and, subject to meter availability and installation, shall be applicable with the first complete billing cycle after receipt of a customer's written request. The rate is available during the months of October through March or year round at the customer's option. If the customer requests to be taken off the optional time of use rate, the standard rate will be applied to the next complete billing cycle after receipt of the request.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 1 - S.O.
RESIDENTIAL, FARMS, SCHOOLS, CHURCHES AND COMMUNITY HALLS
(UNBUNDLED STANDARD OFFER SERVICES)

Page 2 of 3

Rate:

Fixed monthly distribution charge	\$5.13
Variable monthly distribution charge, per kWh	\$0.0224
Metering charge, per month	\$2.85
Meter reading charge, per month	\$1.18
Billing charge, per month	\$2.09
Public benefits charge, per kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh	\$0.06668
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Optional Time of Use Rate:

Fixed monthly distribution charge	\$5.13
Variable monthly distribution charge, per kWh, all kWh	\$0.0224
Metering charge, per month	\$6.60
Meter reading charge, per month	\$1.18
Billing charge, per month	\$2.09
Public benefits charge, per kWh, all kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh: on-peak	\$0.08643
per kWh: off-peak	\$0.02405

On peak:	6:00 a.m. to 1:00 p.m. and 4:00 p.m. to 9:00 p.m. Monday through Saturday
Off peak:	all other hours

Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month.

* When the CTC changes, the power supply, transmission and ancillary service charge also changes. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 1 – S.O.
RESIDENTIAL, FARMS, SCHOOLS, CHURCHES AND COMMUNITY HALLS
(UNBUNDLED STANDARD OFFER SERVICES)

Page 3 of 3

Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

Competitive Transition Charge (CTC):

per kWh, all kWh \$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

Environmental Portfolio Surcharge

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per kWh shall be charged. The surcharge shall not exceed \$0.35 per month for residential customers and shall not exceed \$13.00 per month per meter for non-residential customers.

Minimum Charge:

The minimum monthly charge shall be \$11.25 (\$15.00 for time of use service). Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities.

Tax:

The applicable sales taxes in Arizona will be added to all bills where required.

The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the cooperative.

Meter Readings:

All meter readings and billings shall be based on actual meter readings. Meter readings and billings will be made as closely as practical on the same day each month on a cycle basis.

Terms of Payment:

Billing made under this schedule will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the cooperative's collection policy.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 2 – S.O.
SMALL COMMERCIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Availability:

Available and applicable to all consumers who require 50 kVA or less of transformer capacity and are located along the existing electric distribution system of the cooperative for single and/or three phase service for commercial lighting, small power, and other commercial or business uses.

Applicability:

This schedule is applicable for commercial use which includes service used by retail or wholesale businesses, small manufacturing or processing establishments, tourist or trailer camps, motels, stores, restaurants, service stations, professional offices, and three phase service to residential, public buildings, churches, and apartments where more than one unit is served from an individual meter and all other uses not ordinarily considered as normal residential or home use. Except in cases of master metered mobile home parks, service under this schedule shall not be resold or shared with others. This rate is applicable to consumers who elect to obtain Standard Offer service from Navopache Electric Cooperative, Inc.

Type of Service:

Single phase or three phase, 60 cycles, at available secondary voltages. Motors having a rated capacity in excess of 10 horsepower must be three phase.

Optional Time of Use Rate

An optional time of use rate is offered. The optional rate is voluntary and, subject to meter availability and installation, shall be applicable with the first complete billing cycle after receipt of a customer's written request. The rate is available during the months of October through March. If the customer requests to be taken off the optional time of use rate, the standard rate will be applied to the next complete billing cycle after receipt of the request

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 2 – S.O.
SMALL COMMERCIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 2 of 4

Rate:

Fixed monthly distribution charge	\$1.42
Variable monthly distribution charge, per kWh	\$0.0293
Metering charge, per month	\$8.05
Meter reading charge, per month	\$1.19
Billing charge, per month	\$2.09
Public benefits charge, per kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh	\$0.06345
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Optional Time of Use Rate:

Fixed monthly distribution charge	\$1.42
Variable monthly distribution charge, per kWh, all kWh	\$0.0293
Metering charge, per month	\$10.30
Meter reading charge, per month	\$1.19
Billing charge, per month	\$2.09
Public benefits charge, per kWh, all kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh: on-peak	\$0.08445
per kWh: off-peak	\$0.01715

On peak:	6:00 a.m. to 1:00 p.m. and 4:00 p.m. to 9:00 p.m. Monday through Saturday
Off peak:	all other hours

Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month.

* When the CTC changes, the power supply, transmission and ancillary service charge also changes. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 2 – S.O.
SMALL COMMERCIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 3 of 4

Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

Competitive Transition Charge (CTC):

per kWh, all kWh \$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

Environmental Portfolio Surcharge

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per kWh shall be charged. The surcharge shall not exceed \$13.00 per month per meter.

Minimum Monthly Charge:

The minimum monthly charge under the above rate shall be \$12.75 (\$15.00 for time of use service), where 10 kVA or less of transformer capacity is required. For consumers requiring more than 10 kVA of transformer capacity, the minimum monthly charge shall be increased by \$1.75 per each additional kVA or fraction thereof required. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased in accordance with the terms of this section.

Tax:

The applicable sales taxes in Arizona will be added to all bills where required.

The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the cooperative.

Meter Readings:

All meter readings and billings shall be based on actual meter readings. Meter readings and billings will be made as closely as practical on the same day each month on a cycle basis.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 2 – S.O.
SMALL COMMERCIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Term of Payment:

Billing made under this rate will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the cooperative's collection policy.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 3 – S.O.
SMALL COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 1 of 4

Availability:

Available to single or three phase consumers who require more than 50 kVA but less than 350 kVA of transformer capacity throughout the cooperative service territory where the facilities of the cooperative are of adequate capacity and are adjacent to the consumer's premises. Service is subject to the rules and regulations of the cooperative.

Applicability:

To all consumers in individual locations for non-seasonal use when all service is supplied at one point of delivery and energy is metered through one meter. This rate is applicable to consumers who elect to obtain Standard Offer service from Navopache Electric Cooperative, Inc.

Type of Service:

Single or three phase, over 50 kVA but less than 350 kVA transformer capacity, alternating current, 60 cycles, at available secondary or primary voltages.

Optional Time of Use Rate

An optional time of use rate is offered.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 3 – S.O.
SMALL COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 2 of 4

Rate:

Fixed monthly distribution charge	\$46.73
Variable monthly distribution charge, per kW	\$2.92
Variable monthly distribution charge, per kWh	\$0.0182
Metering charge, per month	\$24.76
Meter reading charge, per month	\$1.42
Billing charge, per month	\$2.09
Public benefits charge, per kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh	\$0.02264
per kW per month	\$12.83

Optional Time of Use Rate:

Fixed monthly distribution charge	\$46.73
Variable monthly distribution charge, per on-peak kW	\$2.92
Variable monthly distribution charge, per kWh, all kWh	\$0.0182
Metering charge, per month	\$34.76
Meter reading charge, per month	\$1.42
Billing charge, per month	\$2.09
Public benefits charge, per kWh, all kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh: on-peak	\$0.02094
per kW: on-peak	\$13.58
per kWh: off-peak	\$0.01782
per kW: off-peak	\$0.00

On peak:	6:00 a.m. to 9:00 p.m.
Off peak:	9:00 p.m. to 6:00 a.m.

Demand metering and timing device must be installed to record kW demand and kWh usage during the above specified hours.

Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month.

* When the CTC changes, the power supply, transmission and ancillary service charge also changes. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 3 – S.O.
SMALL COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 3 of 4

Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

Competitive Transition Charge (CTC):

per kWh, all kWh \$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

Environmental Portfolio Surcharge

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per kWh shall be charged. The surcharge shall not exceed \$13.00 per month per meter.

Determination of Billing Demand:

The billing demand shall be the maximum kilowatt demand established by the consumer for any fifteen (15) consecutive minutes during the month (or during on-peak hours where the time of use rate is applicable). Billing demand shall be adjusted for power factor as provided below.

Power Factor Adjustment:

The consumer agrees to maintain unity power factor as nearly as practical. The cooperative may install power factor metering devices at its discretion. Demand charges will be adjusted for consumers with 50 kW or more of measured demand to correct for power factors during any period of fifteen (15) consecutive minutes when the power factor is lower than 90 percent, and may be so adjusted for other consumers if and when the Seller deems necessary. Such adjustments will be made by increasing the measured demand one percent for each one percent by which the power factor during any period of fifteen consecutive minutes is less than 90 percent lagging.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 3 – S.O.
SMALL COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Minimum Monthly Charge:

The minimum monthly charge shall be the highest of the following charges:

- 1) The minimum monthly charge specified in the contract for service.
- 2) A charge of \$1.75 per kVA of installed transformer capacity.

Tax Adjustments:

The applicable sales taxes in Arizona will be added to all bills where required.

The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the cooperative.

Meter Readings:

All meter readings and billings shall be based on actual meter readings. Meter readings and billings will be made as closely as practical on the same day each month on a cycle basis.

Terms of Payment:

Billing made under this rate schedule will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the cooperative's collection policy.

Delivery of Primary Service:

When a customer taking service at voltage of 14,400 and above and in excess of 750 kVA, furnishes his own transformer substation equipment, and receives delivery of electricity at primary voltage metering, a discount of seven percent shall be allowed on monthly bills for primary metering. The discount will not be applied to the purchased power cost adjustment that is shown separately on the bill.

The cooperative shall have the right to approve of transformers and substation equipment furnished by the consumer under this type of service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 4 - S.O.
MEDIUM COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 1 of 4

Availability:

Available to single or three phase consumers who require more than 350 kVA but less than 1000 kVA of transformer capacity throughout the cooperative service territory where the facilities of the cooperative are of adequate capacity and are adjacent to the consumer's premises. Service is subject to the rules and regulations of the cooperative.

Applicability:

To all consumers in individual locations for non-seasonal use when all service is supplied at one point of delivery and energy is metered through one meter. This rate is applicable to consumers who elect to obtain Standard Offer service from Navopache Electric Cooperative, Inc.

Type of Service:

Three phase, over 350 kVA but less than 1,000 kVA transformer capacity, alternating current, 60 cycles, at available secondary or primary voltages.

Optional Time of Use Rate

An optional time of use rate is offered.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 4 – S.O.
MEDIUM COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 2 of 4

Rate:

Fixed monthly distribution charge	\$44.25
Variable monthly distribution charge, per kW	\$2.92
Variable monthly distribution charge, per kWh	\$0.0205
Metering charge, per month	\$26.88
Meter reading charge, per month	\$1.78
Billing charge, per month	\$2.09
Public benefits charge, per kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh	\$0.02034
per kW per month	\$12.83

Optional Time of Use Rate:

Fixed monthly distribution charge	\$44.25
Variable monthly distribution charge, per on-peak kW	\$2.92
Variable monthly distribution charge, per kWh, all kWh	\$0.0205
Metering charge, per month	\$36.88
Meter reading charge, per month	\$1.78
Billing charge, per month	\$2.09
Public benefits charge, per kWh, all kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh: on-peak	\$0.01864
per kW: on-peak	\$13.58
per kWh: off-peak	\$0.01552
per kW: off-peak	\$0.00

On peak: 6:00 a.m. to 9:00 p.m.

Off peak: 9:00 p.m. to 6:00 a.m.

Demand metering and timing device must be installed to record kW demand and kWh usage during the above specified hours.

Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month.

* When the CTC changes, the power supply, transmission and ancillary service charge also changes. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 4 – S.O.
MEDIUM COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 3 of 4

Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

Competitive Transition Charge (CTC):

per kWh, all kWh \$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

Environmental Portfolio Surcharge

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per kWh shall be charged. The surcharge shall not exceed \$13.00 per month per meter.

Determination of Billing Demand:

The billing demand shall be the maximum kilowatt demand established by the consumer for any fifteen (15) consecutive minutes during the month (or during on-peak hours where the time of use rate is applicable). Billing demand shall be adjusted for power factor as provided below.

Power Factor Adjustment:

The consumer agrees to maintain unity power factor as nearly as practical. The cooperative may install power factor metering devices at its discretion. Demand charges will be adjusted for consumers with 50 kW or more of measured demand to correct for power factors during any period of fifteen (15) consecutive minutes when the power factor is lower than 90 percent, and may be so adjusted for other consumers if and when the Seller deems necessary. Such adjustments will be made by increasing the measured demand one percent for each one percent by which the power factor during any period of fifteen consecutive minutes is less than 90 percent lagging.

Minimum Monthly Charge:

The minimum monthly charge shall be the highest of the following charges:

- 1) The minimum monthly charge specified in the contract for service.
- 2) A charge of \$1.75 per kVA of installed transformer capacity.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 4 – S.O.
MEDIUM COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Tax Adjustments:

The applicable sales taxes in Arizona will be added to all bills where required.

The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the cooperative.

Meter Readings:

All meter readings and billings shall be based on actual meter readings. Meter readings and billings will be made as closely as practical on the same day each month on a cycle basis.

Terms of Payment:

Billing made under this rate schedule will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the cooperative's collection policy.

Delivery of Primary Service:

When a customer taking service at voltage of 14,400 and above and in excess of 750 kVA, furnishes his own transformer substation equipment, and receives delivery of electricity at primary voltage metering, a discount of seven percent shall be allowed on monthly bills for primary metering. The discount will not be applied to the purchased power cost adjustment that is shown separately on the bill.

The cooperative shall have the right to approve of transformers and substation equipment furnished by the consumer under this type of service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 5 – S.O.
LARGE COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Availability:

Available to single or three phase consumers who require more than 1,000 kVA of transformer capacity throughout the cooperative service territory where the facilities of the cooperative are of adequate capacity and are adjacent to the consumer's premises. Service is subject to the rules and regulations of the cooperative.

Applicability:

To all consumers in individual locations for non-seasonal use when all service is supplied at one point of delivery and energy is metered through one meter. This rate is applicable to consumers who elect to obtain Standard Offer service from Navopache Electric Cooperative, Inc.

Type of Service:

Three phase, over 1,000 kVA transformer capacity, alternating current, 60 cycles, at available secondary or primary voltages.

Optional Time of Use Rate

An optional time of use rate is offered.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 5 – S.O.
LARGE COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 2 of 4

Rate:

Fixed monthly distribution charge	\$42.16
Variable monthly distribution charge, per kW	\$2.92
Variable monthly distribution charge, per kWh	\$0.0182
Metering charge, per month	\$26.88
Meter reading charge, per month	\$1.78
Billing charge, per month	\$4.18
Public benefits charge, per kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh	\$0.02264
per kW per month	\$12.83

Optional Time of Use Rate:

Fixed monthly distribution charge	\$42.16
Variable monthly distribution charge, per on-peak kW	\$2.92
Variable monthly distribution charge, per kWh, all kWh	\$0.0182
Metering charge, per month	\$36.88
Meter reading charge, per month	\$1.78
Billing charge, per month	\$4.18
Public benefits charge, per kWh, all kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh: on-peak	\$0.02094
per kW: on-peak	\$13.58
per kWh: off-peak	\$0.01782
per kW: off-peak	\$0.00

On peak:	6:00 a.m. to 9:00 p.m.
Off peak:	9:00 p.m. to 6:00 a.m.

Demand metering and timing device must be installed to record kW demand and kWh usage during the above specified hours.

Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month.

* When the CTC changes, the power supply, transmission and ancillary service charge also changes. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 5 – S.O.
LARGE COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

Competitive Transition Charge (CTC):

per kWh, all kWh \$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

Environmental Portfolio Surcharge

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per kWh shall be charged. The surcharge shall not exceed \$13.00 per month per meter except for customers whose demand is 3,000 kW or more for three consecutive months, in which case the surcharge shall not exceed \$39.00 per month per meter.

Determination of Billing Demand:

The billing demand shall be the maximum kilowatt demand established by the consumer for any fifteen (15) consecutive minutes during the month (or during on-peak hours where the time of use rate is applicable). Billing demand shall be adjusted for power factor as provided below.

Power Factor Adjustment:

The consumer agrees to maintain unity power factor as nearly as practical. The cooperative may install power factor metering devices at its discretion. Demand charges will be adjusted for consumers with 50 kW or more of measured demand to correct for power factors during any period of fifteen (15) consecutive minutes when the power factor is lower than 90 percent, and may be so adjusted for other consumers if and when the Seller deems necessary. Such adjustments will be made by increasing the measured demand one percent for each one percent by which the power factor during any period of fifteen consecutive minutes is less than 90 percent lagging.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 5 - S.O.
LARGE COMMERCIAL AND INDUSTRIAL SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 4 of 4

Minimum Monthly Charge:

The minimum monthly charge shall be the highest of the following charges:

- 1) The minimum monthly charge specified in the contract for service.
- 2) A charge of \$1.75 per kVA of installed transformer capacity.

Tax Adjustments:

The applicable sales taxes in Arizona will be added to all bills where required.

The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the cooperative.

Meter Readings:

All meter readings and billings shall be based on actual meter readings. Meter readings and billings will be made as closely as practical on the same day each month on a cycle basis.

Terms of Payment:

Billing made under this rate schedule will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the cooperative's collection policy.

Delivery of Primary Service:

When a customer taking service at voltage of 14,400 furnishes his own transformer substation equipment, and receives delivery of electricity at primary voltage metering, a discount of seven percent shall be allowed on monthly bills for primary metering. The discount will not be applied to the purchased power cost adjustment that is shown separately on the bill.

The cooperative shall have the right to approve of transformers and substation equipment furnished by the consumer under this type of service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 6 – S.O.
IRRIGATION AND WATER PUMPING SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 1 of 4

Availability:

Available to consumers for service to irrigation pumps and any other water pumping loads who require less than 300 kVA of transformer capacity. Service is available where the facilities of the cooperative are of adequate capacity and are adjacent to the consumer's premises. This rate is not available to loads served by primary metering. Service is subject to the rules and regulations of the cooperative.

Applicability:

Applicable to commercial and industrial consumers when all service is supplied at one point of delivery and energy is metered through one meter. This rate is applicable to consumers who elect to obtain Standard Offer service from Navopache Electric Cooperative, Inc.

Type of Service:

Single phase and three phase 60 cycle alternating current. At the discretion of the cooperative, single phase service may be furnished, provided the motor capacity is not in excess of ten horsepower.

Optional Time of Use Rate

An optional time of use rate is offered.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 6 – S.O.
IRRIGATION AND WATER PUMPING SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 2 of 4

Rate:

Fixed monthly distribution charge	\$0.00
Variable monthly distribution charge, per HP	\$1.90
Variable monthly distribution charge, per kWh	\$0.0240
Metering charge, per month	\$12.30
Meter reading charge, per month	\$1.42
Billing charge, per month	\$1.48
Public benefits charge, per kWh	\$0.0005

Monthly power supply, transmission and ancillary service charges:*

(\$0.06206 per kWh x kWh consumed) - \$15.20

Optional Time of Use Rate:

Fixed monthly distribution charge	\$0.00
Variable monthly distribution charge, per HP	\$1.90
Variable monthly distribution charge, per kWh, all kWh	\$0.0240
Metering charge, per month	\$12.30
Meter reading charge, per month	\$1.42
Billing charge, per month	\$1.48
Public benefits charge, per kWh, all kWh	\$0.0005

Power supply, transmission and ancillary service charges:*

per kWh: on-peak	\$0.08055
per kWh: off-peak	\$0.02245
minus \$15.20 per month	

On peak: 6:00 a.m. to 9:00 p.m.
Off peak: 9:00 p.m. to 6:00 a.m.

Metering and timing device must be installed to record kWh usage during the above specified hours.

Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month.

* When the CTC changes, the power supply, transmission and ancillary service charge also changes. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 6 – S.O.
IRRIGATION AND WATER PUMPING SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

Competitive Transition Charge (CTC):

per kWh, all kWh \$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

Environmental Portfolio Surcharge

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per kWh shall be charged. The surcharge shall not exceed \$13.00 per month per meter except for customers whose demand is 3,000 kW or more for three consecutive months, in which case the surcharge shall not exceed \$39.00 per month per meter.

Minimum Charge:

The minimum charge under the above rate shall be \$15.20 per month for eight horsepower or less. For loads greater than eight horsepower, the minimum charge shall be \$1.90 per horsepower per month. Where it is necessary to extend or reinforce existing distribution facilities, the minimum monthly charge may be increased to assure adequate compensation for the added facilities.

Determination of Horsepower:

The horsepower for billing purposes shall be the manufacturer's motor nameplate rating, or at its option the cooperative may determine the horsepower by test conditions of maximum operating load.

Tax Adjustment:

The applicable sales taxes in Arizona will be added to all bills where required.

The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the cooperative.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 6 – S.O.
IRRIGATION AND WATER PUMPING SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 4 of 4

Meter Readings:

All meter readings and billings shall be based on actual meter readings. Meter readings and billings will be made as closely as practical on the same day each month on a cycle basis.

Terms of Payment:

Billing made under this rate schedule will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the cooperative's collection policy.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 7 – S.O.
SECURITY LIGHTS
(UNBUNDLED STANDARD OFFER SERVICES)

Page 1 of 2

Availability:

Available to all consumers throughout the cooperative's service area for security lighting uses where facilities of the cooperative are available adjacent to the consumer's premises. Subject to the cooperative's rules and regulations.

Applicability:

To security lighting service where the consumer elects to obtain Standard Offer service from Navopache Electric Cooperative, Inc.

Condition of Services:

The cooperative will construct, maintain and operate all security lights, except in instances where the consumer owns the lights, in which case the consumer shall be responsible for operation and maintenance. Lamps will be controlled by timing devices or photoelectric units to provide service from dusk until dawn.

Type of Service:

Single phase, 120/240 volts, 60 cycle alternating current.

Rate:

The monthly rate shall consist of non-energy charges and energy charges (based on the indicated average monthly usage for unmetered lights) as follows:

Element (Lamp/Pole)	Estimated Average Monthly kWh	Consumer Owned		Cooperative Owned	
		Non- Energy Component	Energy Component excluding CTC*	Non-Energy Component	Energy Component excluding CTC*
175 Watt	76	\$2.30	\$4.64	\$4.00	\$4.69
250 Watt	110	\$2.80	\$5.93	\$5.15	\$5.93
400 Watt	175	\$5.00	\$9.44	\$8.60	\$9.44
100 Watt Sodium	34	\$3.00	\$1.79	\$6.00	\$1.79
150 Watt Sodium	50	\$4.00	\$2.70	\$7.00	\$2.70
250 Watt Sodium	85	\$4.90	\$3.59	\$8.00	\$3.49
Pole Charge (where applicable)		\$4.00		\$4.00	

* When the CTC changes, the energy component changes. The energy component consists of power supply, transmission, and ancillary services. Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 7 – S.O.
SECURITY LIGHTS
(UNBUNDLED STANDARD OFFER SERVICES)

Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

Competitive Transition Charge (CTC):

per kWh, all kWh \$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

Environmental Portfolio Surcharge

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per estimated average monthly kWh shall be charged. The surcharge shall not exceed \$13.00 per month per service.

Tax Adjustment:

The applicable sales tax in Arizona will be added to all bills where required.

The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the cooperative.

Terms of Payment:

Billings made under this rate will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the cooperative's collection policy.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 8 – S.O.
STREET LIGHTING SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Page 1 of 2

Availability:

Available to municipal corporations and other organizations within the cooperative service area qualifying for street lighting service, subject to the cooperative's rules and regulations.

Applicability:

To street lighting service when the consumer elects to obtain Standard Offer service from Navopache Electric Cooperative, Inc.

Type of Service:

Single phase, 120/240 volts, 60 cycle alternating current.

Condition of Services:

The consumer shall construct, maintain and operate the system.

Lamps to be controlled by timing devices or photoelectric units to provide for service from dusk until dawn.

Rate:

The monthly rate shall consist of non-energy charges and energy charges (based on the indicated average monthly usage for unmetered lights) as follows:

Lamp	Estimated Average Monthly kWh	Non-Energy Component	Energy Component Excluding CTC*
175 Watt	76	\$2.30	\$6.39
250 Watt	110	\$2.80	\$7.33
400 Watt	175	\$5.00	\$13.04
1,000 Watt	435	\$7.00	\$23.37
100 Watt Sodium	34	\$3.00	\$1.79
150 Watt Sodium	50	\$4.00	\$2.70
250 Watt Sodium	85	\$4.90	\$3.59

* When the CTC changes, the energy component changes. The energy component consists of power supply, transmission, and ancillary services. Power supply, transmission and ancillary service charges cannot be unbundled while these services are supplied by Plains Electric Generation and Transmission Cooperative, Inc. (Plains) because Plains does not unbundle its charges. Power supply, transmission and ancillary service charges will not be unbundled until Navopache's rates are set reflecting unbundled costs in a future rate case. Power supply, transmission and ancillary service costs per kWh vary from month to month. Ancillary services consist of scheduling, system control and dispatch service; reactive supply and voltage control from generation sources service; spinning reserve service; supplemental reserve service; regulation and frequency response service; and energy imbalance service.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

SCHEDULE NO. 8 – S.O.
STREET LIGHTING SERVICE
(UNBUNDLED STANDARD OFFER SERVICES)

Purchased Power Cost Adjustment:

The utility shall, if purchased power cost (consisting of power supply, transmission, and ancillary services costs) is increased or decreased above or below the base purchased power cost of \$0.06816 per kWh sold, flow through such increases or decreases to all classes of consumers.

Competitive Transition Charge (CTC):

per kWh, all kWh \$0.00605

The CTC may be modified from time to time. The CTC is effective starting on the day Navopache begins to take its power supply from Public Service Company of New Mexico and continues for ten years thereafter.

Public Benefits Charge:

The Public Benefits Charge is for demand side management programs and renewable energy programs authorized by the Arizona Corporation Commission.

Environmental Portfolio Surcharge

On bills rendered on or after January 1, 2001, an Environmental Portfolio Surcharge mandated by the Corporation Commission of \$0.000875 per estimated average monthly kWh shall be charged. The surcharge shall not exceed \$13.00 per month per service.

Tax Adjustment:

The applicable sales tax in Arizona will be added to all bills where required.

The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of the gross revenues of the cooperative.

Terms of Payment:

Billing made under this rate schedule will be due and payable upon receipt and past due fifteen (15) days from the date the bill is mailed. Service will be subject to disconnect in accordance with the cooperative's collection policy.