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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

DOCKETED

JUN 30 2014

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IN THE MATTER OF THE APPLICATION OF
NAVOPACHE ELECTRIC COOPERATIVE, INC.
APPLICATION FOR APPROVAL OF ITS 2015
RENEWABLE ENERGY STANDARD TARIFF,
AND IMPLEMENTATION PLAN AND NET
METERING TARIFF

DOCKET NO. E-01787A-14-0220

Navopache Electric Cooperative, Inc. ("NEC") hereby submits its 2015 REST Implementation Plan and Tariff pursuant to A.A.C. R14-2-1814. Navopache is also submitting an updated avoided cost amount to be included in its Net Metering Tariff.

RESPECTFULLY SUBMITTED this 30th day of June, 2014.

By
Heather McNelly
Navopache Electric Cooperative, Inc.

Original and thirteen (13) copies filed this
30th day of June, 2014, with:

Docket Control
Arizona Corporation Commission
1200 W. Washington,
Phoenix, AZ 85007



Navopache Electric Cooperative

**2015 REST Plan
July 1st, 2014**

Submitted by: Heather McInelly
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IN 2013 NEC COMPLETED NEGOTIATIONS WITH WESTERN ENERGY SOLUTIONS TO PURCHASE ENERGY AND RENEWABLE ENERGY CREDITS (RECs) FROM A QUALIFIED BIOMASS FACILITY. WESTERN ENERGY SOLUTIONS IS PRESENTLY IN THE DESIGN STAGE OF THE PROJECT AND HAS FILED FOR AN AIR QUALITY PERMIT. IT IS ANTICIPATED THE PROJECT WILL RECEIVE AN AIR QUALITY PERMIT BY THE END OF 2014 SO THAT THE PROJECT CAN BE CONSTRUCTED IN 2015.	5
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BACKGROUND

Navopache Electric Cooperative, Inc. ("NEC") is a rural electric transmission and distribution cooperative headquartered in Lakeside, Arizona. NEC provides electric service to approximately 40,000 members in its 10,000 square mile service territory covering east-central Arizona and west-central New Mexico. NEC owns and operates 263 miles of 69kV sub-transmission lines, 3,478 miles of 24.9/14.4kV distribution lines, and employs 102 full time employees. NEC is an "all-requirements" wholesale power customer of the Public Service Company of New Mexico ("PNM"). In 2012, NEC delivered 393.8 gigawatt hours in retail sales to its AZ membership.

The Arizona Corporation Commission ("ACC") approved the Renewable Energy Standard and Tariff Rules ("REST Rules") in Decision No. 69127 dated November 14, 2006. Following Attorney General Certification, The REST Rules took effect on August 14, 2007. The REST Rules require affected utilities to derive certain percentages of the total energy that they sell at retail from eligible renewable energy resources.

The REST Rules contain a section that specifically addresses electric power cooperatives. R14-2-1814 instructs the cooperatives to file "an appropriate plan for acquiring renewable energy credits for eligible renewable energy resources for the next calendar year." The provisions of this section of the REST Rules substitute for the requirement of R14-2-1804 and R14-2-1805 for NEC.

NEC owns and operates renewable energy resources, has secured renewable energy credit purchase agreements and has implemented a renewable energy incentive program to help the cooperative reach its renewable energy goals under the REST Rules.

NEC 2015 REST PLAN

2015 REQUESTED CHANGES

For the 2015 REST Plan, NEC seeks approval to make two changes in its REIP. Specifically, NEC proposes:

1. The "Annual Purchase Rate (¢/kWh)" on page 4 changes from the current \$0.03333 to \$0.03216, to reflect Navopache's Annual Average Avoided Cost for calendar year 2013; and the new effective date on page 1 changes from December 1, 2014. (Exhibit 4)

EXISTING INFRASTRUCTURE

NEC will use a combination of utility owned photovoltaic installations, renewable energy credit purchase agreements and distributed generation facilities installed by its membership and by the utility to achieve its 2015 REST goals.

As of December 31, 2013 NEC had 218 member-installed renewable energy systems connected to its power system, as per the Distributed Renewable Energy requirement of the REST Rules. The NEC Renewable Energy Incentive Program ("REIP") was approved by the ACC as a component of the 2014 NEC REST Plan in Decision No. 74176 of October 25, 2013.

UTILITY OWNED PHOTOVOLTAIC RESOURCES

Since 2003, NEC has installed four separate photovoltaic arrays totaling 284 kilowatts. Two of the installations are grid-connected at primary (24.9/14.4kV) voltage on the NEC distribution system; two are distributed generation facilities, connected at secondary voltages to serve existing load on property secured by easements from the NEC member. The annual quantities of renewable energy these systems produce and the incremental cost of the associated RECs are included.

Resource	Type	System Size in Kw	Projected Annual Output in kWh
NEC St. Johns Substation	Photovoltaic - Grid Connected	94	205,860
NEC Springerville Area Office	Photovoltaic - Grid Connected	114	249,660
Blue Ridge High School	Photovoltaic - Distributed Generation	58	127,020
Mountain Meadows Complex	Photovoltaic - Distributed Generation	18	39,420
Total NEC Owned Resources		284	621,960

OTHER RENEWABLE ENERGY RESOURCES

The NEC member-installed systems include photovoltaic systems, photovoltaic water heater systems and wind turbines. The annual quantities of renewable energy these systems produce.

Classification	Type	System Size in kW	Projected Annual Output in kWh
Residential	Photovoltaic - Grid Connected	1,255.7	1,852,311
Residential	Photovoltaic Water Heaters	23.695	51,891
Residential	Photovoltaic – Off-Grid	87.361	191,322
Residential	Wind – Grid Connected	6.200	13,578
Residential	Wind – Off-Grid	3.200	7,008
Commercial	Photovoltaic – Grid-Connected	208.135	455,815
Other Renewable Energy Resources		1,261.761	2,571,925

PERCENTAGE OF ARIZONA RETAIL KWH GOAL

Year	*Retail mWh Sales	Renewable Goal (%)	Renewable Energy Needed mWh	Renewable Energy Achieved to Date (mWh)	Percentage of Goal (%)
2013	393,791	.81	3,189	3,373	106
2014	389,662	.98	3,818	3,624	95
2015	389,662	1.15	4,481		

**Projection*

FUTURE RENEWABLE ENERGY RESOURCES

BIOMASS

In 2013 NEC completed negotiations with Western Energy Solutions to purchase energy and Renewable Energy Credits (RECs) from a qualified biomass facility. Western Energy Solutions is presently in the design stage of the project and has filed for an air quality permit. It is anticipated the project will receive an air quality permit by the end of 2014 so that the project can be constructed in 2015.

GEOHERMAL GENERATING STATION PROJECT

NEC has completed a feasibility study, which recommends that a 5-megawatt Enhanced Geothermal System (EGS) generating station is feasible on both a technical and economic basis in the NEC service territory. The Final Report completed by Black & Veatch Corporation of Walnut Creek, California, and GeothermEx, Inc., of Richmond, California, was submitted to the ACC as a requirement of Decision No. 70699 dated 1/20/09.

NEC is investigating and intends to develop this resource unless factors surface to indicate that it is not in our member's best interest. NEC is interested in this project as a high capacity factor renewable energy resource. NEC has prepared a technical abstract and is investigating possible funding in order to make a filing with DOE. A 5-megawatt geothermal generation facility would produce around 40 million kWh's of renewable energy annually. NEC has put this project on hold for two years until 2016. During this time NEC is investigating funding options to determine if available funding can be secured to make the project economically viable.

RENEWABLE ENERGY INCENTIVE PLAN - REIP

NEC offers its members an Up-Front Incentive for the installation of qualifying photovoltaic, wind systems or solar water heating system.

RESIDENTIAL RENEWABLE ENERGY INCENTIVE PROGRAM

NEC will pay an Up-Front Incentive of \$0.50 per installed DC watt up to a maximum payment of \$5,000.00 per metered location. Member will provide copies of their invoice for tracking system costs for posting on AZ goes Solar website. To qualify for an

Incentive, installation must qualify for Net Metering in which the installation may not exceed 125% of system load measured in kWh.

NON-RESIDENTIAL RENEWABLE ENERGY INCENTIVE PROGRAM

NEC will pay an Up-Front Incentive of \$0.50 per installed DC watt up to a maximum payment of \$12,500.00 per metered location. Member will provide copies of their invoice for tracking system costs for posting on AZ goes Solar website. To qualify for an Incentive, installation must qualify for Net Metering in which the installation may not exceed 125% of system load measured in kWh.

SOLAR WATER HEATER PROGRAM

NEC will pay an incentive equal to \$0.75 per kWh of estimated energy saved during the system’s first year of operation based on the OG-300 ratings of the Solar Rating and Certification Corporation. Only OG-300 certified solar systems are eligible for the REIP. A list of OG-300 certified Solar Systems is available at the Solar Rating and Certification Corporation’s website at www.solar-rating.org.

PROGRAM FUNDING

NEC is proposing no changes to and will continue to use it’s currently approved *Renewable Energy Standard Tariff – Schedule 9* and *Standard Tariff Voluntary Renewable Energy Program – Schedule 10* surcharge dollar proceeds to fund its renewable energy objective. These programs include the Renewable Energy Incentive Program for both residential and non-residential in addition to potential large-scale renewable installations, which may include possible participation in multi-utility joint projects. Surcharge funds will also be used to pay for the administration expense associated with program operations.

REST FUNDING FROM SURCHARGE

Annual Projection				
Classification	Projected Annual \$	Number of Accounts	Average \$ Per Bill	% Reaching Cap
Residential	360,981.36	33,866	0.89	69%
Commercial	294,888.12	3,286	7.48	7%
Irrigation	15,582.48	73	17.79	30%
Security Lights	1,254.72	97	1.08	1%
Non-Residential > 3MW	0.00	0.00	0.00	0%
Total Annual Projection	672,706.68			

VOLUNTARY RENEWABLE ENERGY PROGRAM

Classification	Projected Annual Surcharge Collection
Residential	912.00
Commercial	0.00
Irrigation	0.00
Security Lights	0.00
Total Annual Projection	912.00

EXHIBIT 1 – NEC REST TARIFF

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

RENEWABLE ENERGY STANDARD TARIFF
SCHEDULE NO. 9

Effective: January 1, 2014

Renewable Energy Standard ("RES") Surcharge

On all bills for governmental and agricultural customers with multiple meters, a RES Surcharge mandated by the Arizona Corporation Commission will be assessed monthly at the lesser of \$0.000875 per kilowatt-hour of electricity delivered to the consumer, or:

Governmental and Agricultural Customers:	\$ 13.00 per service;
Governmental and Agricultural Customers whose metered demand is 3,000 kW or more for 3 consecutive months:	\$ 39.00 per service.

In the case of unmetered services, the Cooperative shall, for the purposes of billing the RES Surcharge and subject to the caps set forth above, use the lesser of (i) the load profile or otherwise estimated kWh required to provide the service in question; or (ii) the service's contract kWh.

On all bills in all other tariff service categories than those listed above, a RES Surcharge mandated by the Arizona Corporation Commission will be assessed monthly at the lesser of \$0.004988 per kilowatt-hour of electricity delivered to the customer, or:

Residential Customers:	\$ 1.05 per service;
Non-Residential Customers:	\$ 39.00 per service;
Non-Residential Customers whose metered demand is 3,000 kW or more for 3 consecutive months:	\$ 117.00 per service.

In the case of unmetered services, the Cooperative shall, for purposes of billing the RES Surcharge and subject to the caps set forth above, use the lesser of (i) the load profile or otherwise estimated kWh required to provide the service in question; or (ii) the service's contract kWh.

The applicable RES Surcharge is in addition to all other rates and charges applicable to service to the customer.

Additional inspections and charges are billed to the installation contractor as required when violations of the interconnection requirements, the National Electric Code or safety issues are found during the inspection that cannot be corrected during the first or subsequent inspections.

1 st Inspection no charge subsequent inspections	\$75.00
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NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona
STANDARD OFFER TARIFF
VOLUNTARY RENEWABLE ENERGY PROGRAM
SCHEDULE NO. 10

Effective: October 25, 2013.

Availability

Available as an option to all residential and non-residential standard offer members of the Cooperative to participate in the cooperative's renewable energy program. Not applicable for resale, breakdown, standby or auxiliary service. This service is subject to the Cooperative's rules and regulations.

Type of Service

Available to all classes of members, regardless of service entrance size or installed infrastructure located at the member's residence or place of business.

Monthly Rate

\$2.00 per month or each block of 50 kWh of electric generation from renewable resources. Members electing this option may purchase one or more blocks. The rate is in addition to the otherwise applicable charges for all kWh consumed under standard offer service provided by the Cooperative.

Members of the Cooperative may enroll at any time, effective at the beginning of the next billing month. Members may terminate their participation at any time by notifying the Cooperative; termination is effective at the end of the current billing month. Terminations made in conjunction with termination of all service from the Cooperative are effective at the time of such termination.

Conditions

All funds collected under this Schedule will be used solely to construct, operate, and maintain renewable energy projects carried out by the Cooperative in Arizona, including solar electric generating projects. Electric energy generated by renewable resources is blended with other energy throughout the Cooperative's distribution system. Energy delivered to members electing this option will consist of such blended energy.

Tax Adjustment

The applicable sales tax in Arizona will be added to bills where required. The cooperative is authorized to pass on to the consumers the applicable proportionate part of any taxes or government 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 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
RENEWABLE ENERGY
CUSTOMER SELF-DIRECTED TARIFF
SCHEDULE NO. 11

Effective: October 25, 2014

Renewable Energy Standard ("RES") Customer Self-Directed Option

Application

The RES Customer Self-Directed Option is applicable to single and three phase service for Non-Residential Customers with multiple meters that pay more than \$ 25,000 annually in RES Surcharge funds pursuant to the Renewable Energy Standard Tariff for any number of related accounts or services within the Cooperative's service territory. This service is subject to the Cooperative's rules and regulations.

Eligible Customer

An Eligible Customer may apply to the Cooperative to receive funds to install Distributed Renewable Energy Resources. An Eligible Customer seeking to participate in this program shall submit to the Cooperative a written application that describes the Renewable Energy Resources that it proposes to install and the projected cost of the project. An Eligible Customer shall provide at least half of the funding necessary to complete the project described in its application.

An Eligible Customer shall enter into a contract with the Cooperative that specifies, at a minimum, the following information: the type of Distributed Generation ("DG") resource, its total estimated cost, kWh output, its completion date, the expected life of the DG system, a schedule of Eligible Customer expenditures and invoices for the DG system, Cooperative payments to an Eligible Customer for the DG system, and the amount of a Security Bond or Letter of Credit necessary to ensure the future operation of the Eligible Customers' DG system, metering equipment, maintenance, insurance, and related costs.

If proposed to be connected to the Cooperative's electrical system, an Eligible Customer's DG resource shall meet all of the Cooperative's DG interconnection requirements and guidelines before being connected to the Cooperative's electrical system.

All Renewable Energy Credits derived from the project, including generation and extra credit multipliers, shall be applied to satisfy the Cooperative's Annual Renewable Energy Requirement.

The funds annually received by an Eligible Customer pursuant to this tariff may not exceed the amount annually paid by the Eligible Customer pursuant to the RES Surcharge Tariff.

EXHIBIT 2 – REVISED NET METERING SERVICE TARIFF FILING

NEC is aware that the Commission is reconsidering costs and the benefits associated with Net Metering for Arizona Public Service as ordered in Decision No. 73636, dated January 31, 2013. Navopache has delayed making revisions to its Net Metering tariff at this time but reserves the right to file such revisions when the Commission has completed its consideration of this matter.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

**SCHEDULE NMS
NET METERING SERVICE**

Effective Date: This Tariff is effective November 24, 2013, pursuant to Arizona Corporation Commission Decision No. 74176.

Availability

Net Metering service is available to all end-use retail customers of the Cooperative with metered kWh usage with a qualifying Net Metering Facility that uses Renewable Resources, a fuel cell or combined heat and power (CHP) to produce electricity at all points where facilities of adequate capacity and the required phase and suitable voltage are adjacent to the sites served. Service is subject to the rules and regulations of the Cooperative. This service is also referred to as Partial Requirements Service.

Application

Under Net Metering the electric energy generated by or on behalf of the member from a qualifying Net Metering Facility and delivered to the Cooperative's distribution facilities may be used to offset electric energy provided by the Cooperative during the applicable billing period as specified in this Tariff. Service under this Tariff is subject to: installation of a bidirectional meter; availability of enhanced metering and billing system upgrades; the rated capacity of the customer's Net Metering Facility not exceeding the Cooperative's service capacity; and the customer complying with all of the Cooperative's interconnection standards. The customer may also be required to sign and complete a Net Metering Application prior to being provided Net Metering Service. A customer that installs a Net Metering Facility is not required to take service under this Tariff, but still must comply with the Cooperative's interconnection standards.

Type of Service

Electric Sales to the Cooperative must be single phase or three phase, 60 Hertz, at one standard voltage as may be selected by customer (subject to availability at the premises).

Definitions

Definitions below and contained in A.A.C. R14-2-2302 (some of which are set forth below) apply to Net Metering offered under this Tariff.

1. **Annual Average Avoided Cost** means the average annual wholesale fuel and energy costs per kWh charged by the Cooperative's wholesale power supplier(s) during the calendar year. The annual avoided kWh cost will be determined every July based upon the Cooperative's most recent audited financial statement and applied to Excess Generation during that Calendar Year. The current avoided kWh cost will be available at every Cooperative office.
2. **Calendar Year** means January 1 through December 31, for the purpose of determining the billing credit for the balance of any credit due in excess of amounts owed by the customer to the Cooperative.

**SCHEDULE NMS
NET METERING SERVICE**

3. **Combined Heat and Power or CHP** means a system that generates electricity and useful thermal energy in a single, integrated system such that the useful power output of the facility plus one-half the useful thermal energy output during any 12-month period must be no less than 42.5 percent of the total energy input of fuel to the facility.
4. **Customer Supply** means energy (kWh) from a customer-owned Net Metering Facility that exceeds the customer's load at a point in time and is fed back into the Cooperative's electric system, as metered by the Cooperative.
5. **Customer Purchase** means energy (kWh) that is provided from the Cooperative to the customer to serve the load that is not being served by a customer-owned Net Metering Facility, as metered by the Cooperative.
6. **Excess Generation** means the Customer Supply (kWh) less the Customer Purchase (kWh) over a monthly billing period. For time-of-use rates the Excess Generation corresponding to the on and off peak periods is computed for on-peak and off-peak periods over the monthly billing period. (Not to be less than zero.)
7. **Firm Power** means power available, upon demand, at all times (except for forced outages) during the Contract Period from the customer's facilities with an expected or demonstrated reliability which is greater than or equal to the average reliability of the Cooperative's firm power sources.
8. **Fuel Cell** means a device that converts the chemical energy of a fuel directly into electricity without intermediate combustion or thermal cycles. The source of the chemical reaction must be from Renewable Resources.
9. **Net Metering Facility** means a facility for the production of electricity that:
 - a. Is operated by or on behalf of the customer and is located on the customer's premises;
 - b. Is intended to provide part or all of the customer's requirements for electricity;
 - c. Uses Renewable Resources, a Fuel Cell or CHP to generate electricity;
 - d. Has a generating capacity less than or equal to 125% of the customer's total connected load, or in the absence of customer load data, capacity less than or equal to the customer's electric service drop capacity; and
 - e. Is interconnected with and can operate in parallel with the Cooperative's existing distribution system. The customer's 125% total connected load limit shall be determined:
 - f. In the absence of demand data (for residential and small business) the highest 12 months (Calendar Year) kWh consumption in the previous three years will be divided by 2190 (to determine the 100% capacity level in kW which will achieve a "net zero" home or business) and multiplied by 125%.
 - b. For customers with a demand history it will be 125% of the highest demand in the most current 12 month period.

Partial Requirements Service means electric service provided to a customer that has an interconnected Net Metering Facility whereby the output from its electric generator(s) first supplies its own electric requirements and any excess energy (over and above its own requirements at any point in time) is then provided by the Cooperative. The Cooperative supplies the customer's supplemental electrical

**SCHEDULE NMS
NET METERING SERVICE**

requirements (those not met by their own generation facilities). This configuration may also be referred to as the "parallel mode" of operation.

10. **Renewable Resource** means natural resources that can be replenished by natural processes, including biomass, biogas, geothermal, hydroelectric, solar or wind as defined in A.A.C. R14-2-2302.
11. **Standard Retail Rate Schedule** means any of the Cooperative's retail rate schedules with metered kWh charges.
12. **Time Periods** – Mountain Standard Time shall be used in the application of this rate schedule. Because of potential differences of the timing devices, there may be some variation in the timing for the pricing periods. In most instances the variation should not exceed 15 minutes. On-peak and off-peak time periods will be determined by the applicable Standard Retail Rate Schedule.

Metering

Customers served under this Tariff will require a bidirectional meter that will register and accumulate the net electrical requirements of the customer and shall have other capabilities similar to meter that is being replaced or that would be installed for the service (e.g., smart metering capabilities). The Cooperative will install such a meter at the customer's Net Metering Facility if proper metering is not already present. The incremental metering costs for bidirectional metering and the facility meter will be incurred by the Cooperative.

Billing

A. During the billing period for:

1. Customer Purchases in excess of Customer Supply

Cooperative shall bill the customer for the net kWh supplied by the Cooperative in accordance with the Cooperative's applicable Standard Retail Rate Schedule.

2. Customer Supply in excess of Customer Purchases (Excess Generation)

Cooperative shall credit the customer the Excess Generation kWh in subsequent billing periods to reduce the kWh supplied (not kW or kVa demand or customer charges).

B. For customers taking service under time-of-use rates, Customer Supply and Customer Purchases will be segmented by on-peak and off-peak periods. Excess Generation kWh credits will be applied to the time-of-use periods in which the kWh were generated by the customer.

C. Basic Service Charges and Demand Charges (either metered or contract) and all other elements of the Cooperative's applicable Standard Retail Rate Schedule will continue to apply in full, except that the monthly "Customer Charge" for the applicable Optional Time-of-Use Rate will be applied whether or not the customer has elected the Time-of-Use rate.

NAVOPACHE ELECTRIC COOPERATIVE, INC.
Lakeside, Arizona

**SCHEDULE NMS
NET METERING SERVICE**

D. For the billing each April or for the last billing period at the time the customer discontinues taking service under this rate schedule:

The Cooperative shall issue a billing credit to the customer for any remaining Excess Generation balance. In the event the customer's electric service is terminated, after applying a billing credit for any Excess Generation up to the amount the customers owe the Cooperative, the Cooperative shall issue a check for the remaining value of the Excess Generation balance. The payment or credit will be determined at the Cooperative's Annual Average Avoided Cost, which shall be updated annually and are as specified below:

Annual Purchase Rate (¢/kWh): 3.3216¢

Any payment for Firm Power will be pursuant to a separate contract.

E. An Administrative Charge may be charged by the Cooperative to collect new or additional costs the Cooperative incurs associated with the provision of Net Metering service (such as additional data communication access and billing costs) upon filing with and approval of such charge by the Arizona Corporation Commission pursuant to A.A.C. R14-2-2305.

Contract Period

Any applicable contract period(s) will be set forth in an Agreement between the customer and the Cooperative.

CALCULATION OF NAVOPACHE'S ANNUAL AVOIDED COST

Public Service Company of New Mexico	
kWh Purchased	422,986,670
Total \$ Cost 2013	\$13,601,353.44
Avoided Cost in \$/kWh	.03216

EXHIBIT 3 – PROPOSED 2015 REST BUDGET

Estimated 2015 Collections	672,706.68
Estimated 2014 Carry Over	1,000,000.00
Total 2015 Budget	1,672,706.68

Generation Costs

RUS Loan Obligation	-94,800.00
Administration	-200,000.00
Utility Owned Photovoltaic System Maintenance/Repair	-20,000.00
*Utility Owned Photovoltaic Parking Structure	-250,000.00
Purchase Power Agreement - Bio Mass	-200,232.00
Total Generation Costs	-765,032.00

Distributed Energy Cost

Residential PV REIP	-100,000.00
Commercial PV REIP	-25,000.00
Solar Water Heater REIP	-15,000.00
Net Metering True-Up	-12,000.00
	-152,000.00

Estimated 2015 Carry Over	755,674.68
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**Budget to cover Photovoltaic Installation. Structure not included in REST Budget.*

EXHIBIT 4 - BUDGET PROJECTIONS

	2015	2016	2017	2018	2019
Carry Over Prior Year	1,000,000.00	755,674.68	746,349.36	721,324.04	675,848.72
Collections	672,706.68	672,706.68	672,706.68	672,706.68	672,706.68
Budget	1,672,706.68	1,428,381.36	1,419,056.04	1,394,030.72	1,348,555.40

Generation Costs					
RUS Loan Obligation	-94,800.00	-94,800.00	-94,800.00	-94,800.00	-94,800.00
Administration	-200,000.00	-210,000.00	-220,500.00	-231,525.00	-243,101.25
Utility Owned Photovoltaic System Maintenance/Repair	-20,000.00	-22,000.00	-24,200.00	-26,620.00	-29,282.00
Utility Owned Photovoltaic Parking Structure	-250,000.00	0.00	0.00	0.00	0.00
Purchase Power Agreement - Bio Mass	-200,232.00	-200,232.00	-200,232.00	-204,237.00	-204,237.00
Total Generation Costs	-765,032.00	-527,032.00	-539,732.00	-557,182.00	-571,420.25

Distributed Energy Cost					
Residential PV REIP	-100,000.00	-100,000.00	-100,000.00	-100,000.00	-100,000.00
Commercial PV REIP	-25,000.00	-25,000.00	-25,000.00	-25,000.00	-25,000.00
Solar Water Heater REIP	-15,000.00	-15,000.00	-15,000.00	-15,000.00	-15,000.00
Net Metering True-Up	-12,000.00	-15,000.00	-18,000.00	-21,000.00	-24,000.00
	-152,000.00	-155,000.00	-158,000.00	-161,000.00	-164,000.00
Carry Over	755,674.68	746,349.36	721,324.04	675,848.72	613,135.15

**Budget to cover Photovoltaic Installation. Structure not included in REST Budget.*

EXHIBIT 5 – IMPLEMENTATION PLAN

IMPLEMENTATION PLAN

Table 1 - Targeted Resources

Line No.	Ownership ¹	Targeted Completion	2015-2018 Total MW	Targeted Energy Production (MWh or Equivalent)						Line No.	
				2015	2016	2017	2018	2019	Total		
1	Targeted Generation Resources:									1	
2	Solar:									2	
3										3	
4										4	
5										5	
6	Wind:									6	
7										7	
8										8	
9										9	
10	Geothermal:									10	
11										11	
12										12	
13	Biomass/Biogas:	Third Party	Unknown	17.32	7,585	7,585	7,585	7,585	7,585	37,925	13
14											14
15											15
16											16
17	Total Targeted Generation				7,585	7,585	7,585	7,585	7,585	37,925	17
18											18
19	Targeted Distributed Energy Resources:										19
20	Residential:										20
21	PV	Third Party	12/31/2015	6.89	2,471	2,718	2,990	3,289	3,618	15,086	21
22	Waterheater	Third Party	12/31/2015	0.15	54	59	65	72	79	330	22
23											23
24	Subtotal Residential			7.04	2,525	2,778	3,055	3,361	3,697		24
25											25
26	Non-Residential:										26
27		Third Party		0.61	219	241	265	291	321	1,337	27
28											28
29											29
30											30
31											31
32	Subtotal Non-Residential			0.61	219	241	265	291	321		32
33											33
34	Total Targeted DE				2,744	3,018	3,320	3,652	4,017		34

IMPLEMENTATION PLAN

Table 2 - Targeted RES Resource Costs (in \$Ms)

COMPETITIVELY CONFIDENTIAL¹
Projected RES Cost per Year¹

Line No.	Ownership	Targeted Generation Resources ¹ :	Projected RES Cost per Year ¹					Total	Line No.
			2014	2015	2016	2017	2018		
1	Solar:								1
2									2
3									3
4									4
5									5
6	Wind:								6
7									7
8									8
9									9
10	Geothermal:								10
11									11
12									12
13	Biomass/Biogas:	Third Party	200,323	200,323	200,323	200,323	200,323	1,201,938	13
14									14
15									15
16	SubTotal Targeted Generation		200,323	200,323	200,323	200,323	200,323	1,201,938	16
17									17
18	Targeted and Expected Distributed Energy Resources:								18
19	Residential:								19
20	PV	Third Party	100,000	100,000	100,000	100,000	100,000	500,000	20
21	Hot Water Heater	Third Party	15,000	15,000	15,000	15,000	15,000	75,000	21
22									22
23	Subtotal Residential		115,000	115,000	115,000	115,000	115,000		23
24									24
25	Non-Residential: Third Party		25,000	25,000	25,000	25,000	25,000	125,000	25
26									26
27	Subtotal Non-Residential		25,000	25,000	25,000	25,000	25,000		27
28									28
29	SubTotal Targeted Distributed Energy		140,000	140,000	140,000	140,000	140,000		29
30									30
31	Total Targeted Energy Costs		340,323	340,323	340,323	340,323	340,323		31
32									32
33									33
34									34
35									35
36									36
37									37
38									38
39									39

¹ Redacted due to the competitively confidential nature of the information.