

**RATON PUBLIC SERVICE COMPANY
RESOLUTION 2015 - 3**

Resolution Amending Net Metering Tariff

WHEREAS, the Board of Directors of the Raton Public Service Company has an ongoing commitment to maintaining competitive electric utility rates; and

WHEREAS, the Raton Public Service Company currently has seventeen net metering customers that have a minimal impact on system revenue and wants to continue offering this net metering opportunity to other small customers; and

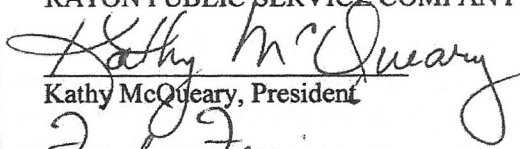
WHEREAS, the Raton Public Service Company Board has already amended the Net Metering policy to limit automatically offering this service to customers whose monthly usage is above 1,000 kWh based, in part, by a survey of the prevailing public power net metering policies in our area.

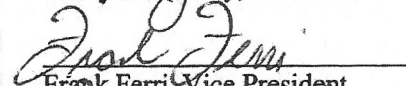
WHEREAS, the Raton Public Service Company Board will consider this resolution with the knowledge that the City Commission, pursuant to Section 2 of Ordinance No. 942, has the final authority to amend the RPS rate tariffs.

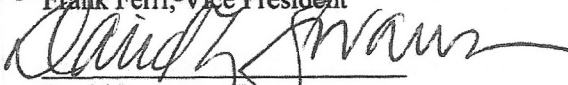
NOW, THEREFORE, BE IT HEREBY RESOLVED that the Raton Public Service Company Board of Directors amends the AVAILABILITY section of "SCHEDULE NO. NM-1 NET METERING TARIFF" as follows: "The Customer's generating installation typically shall not exceed 10 kW. ~~for residential customers or 25 kW for commercial customers.~~ This requirement may be reviewed on a case by case basis by the General Manager in order to maintain the integrity of the RPS electrical system."

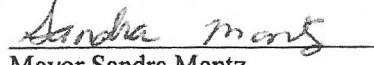
RESOLVED: In session this 24th day of June 2015.

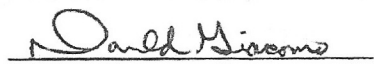
BOARD OF DIRECTORS
RATON PUBLIC SERVICE COMPANY


Kathy McQueary, President



Frank Ferri, Vice President


David Swanson, Treasurer


Mayor Sandra Mantz


Donald Giacomo, Commissioner

(SEAL)


Sandy Chavez, Secretary

SCHEDULE NO. NM-1
NET METERING TARIFF

AVAILABILITY

The net metering tariff is applicable to all residential and commercial customers, in good standing, taking service under RPS residential rate schedules (Schedules R-1 or R-2) or commercial rate schedules (Schedules C-1 or C-2) and have installed a renewable (wind, solar, geothermal) generating source on their facilities served by RPS. The generating source must have been approved by RPS for parallel operation with the RPS electric system. The Customer's generating installation typically shall not exceed 10 kW. ~~for residential customers or 25 kW for commercial customers.~~ This requirement may be reviewed on a case by case basis by the General Manager in order to maintain the integrity of the RPS electrical system. This tariff will be applied in addition to the rate schedule assigned by RPS. Service shall be supplied through one (1) meter which will measure kWh Delivered by RPS and kWh Received from the Customer.

(Cross out language to be ratified at next City Commission Meeting)

RATE SCHEDULE

1. If the electricity supplied by RPS to the Customer (kWh Delivered) exceeds the electricity generated by the Customer's system (kWh Received) during a billing period, the Customer will be billed for the net energy supplied by RPS (kWh Delivered less kWh Received) as outlined in the appropriate residential or commercial rate schedule. These charges shall include the Customer Charge, Energy Rate, Energy Cost Adjustment Clause, Tax Adjustment and any other charges outlined in the specific rate.
2. If electricity generated by the Customer's system (kWh Received) exceeds the electricity delivered by RPS (kWh Delivered) during a billing period, RPS will buy back the excess kWh at the current wholesale delivered energy rate (including transmission costs). The buyback will appear as a credit on the Customer's bill during the next billing period.

At the discretion of RPS, credits can be carried forward from month to month. At the end of twelve (12) calendar months, the account will be trued up with RPS buying back all credits, as accrued on a month by month basis, at the current wholesale energy rate. The wholesale energy rate is the total cost of generated and purchased wholesale energy divided by the net to system kWh for a given billing period.

MINIMUM BILLING

The monthly minimum charge under this tariff shall be the Customer Charge plus Tax Adjustment as defined under the applicable rate schedule. This will be charged on a monthly basis, regardless of when "true-up" occurs.

BUDGET BILLING PLAN

Due to the unknown generation on the customer's premises and the inability to accurately determine generation and usage, the budget billing plan will not be available to customers receiving service under this tariff.

CONDITIONS AND TYPE OF SERVICE:

The Customer will be required to comply with Interconnection Standards for Parallel Installation and Operation of Customer Owned Electric Generating Facilities.

RATON PUBLIC SERVICE COMPANY - KEY FIVE YEAR STATISTICS

	FY 2010	FY 2011	% DIFF.	FY 2012	% DIFF.	FY 2013	% DIFF.	FY 2014	% DIFF.	FY 2015	% DIFF.
kWh	48,111,368	46,497,300	-3.35%	46,423,647	-0.16%	45,174,489	-2.69%	43,582,208	-3.52%	42,082,488	-3.44%
Revenues	\$ 7,319,642	\$ 7,164,466	-2.12%	\$ 7,137,550	-0.38%	\$ 6,728,537	-5.73%	\$ 6,540,315	-2.80%	\$ 6,327,978	-3.25%
Customers	4,776	4,767	-0.19%	4,707	-1.26%	4,640	-1.42%	4,551	-1.92%	4,508	-0.94%

NOTES: Purchase Power expense during this period averaged 65.5% of Revenues during this period and declined at appx. the same rate as revenues. It is likely that Purchase Power expense will continue this trend for the next several years.

However, other expense(Personnel, Debt Service, Capital and Operating Expense have not and will not decline at the rate that Purchase Power expense has. Our Debt Service schedule is flat and inflationary pressures impact Personnel, Capital and Operating expenses. As the years go by this 35.5% of the expenditure budget will make the RPS budget harder and harder to balance.

