

PUBLIC SERVICE COMPANY OF NEW MEXICO

2011 NOV 21 PM 4: 50

2ND REVISED SAMPLE FROM NO. 89
CANCELING 1ST REVISED SAMPLE FORM NO. 89

ELECTRIC LINE EXTENSION REVENUE CREDIT GUARANTEE AGREEMENT
(FOR EXISTING SERVICE LOCATIONS ONLY)

Numerous Changes (X)

Page 1 of 3

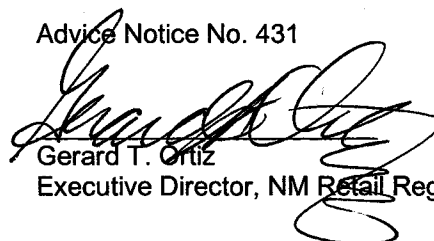
Electric Line Extension Revenue Credit Guarantee Agreement (For Existing Service Locations Only). X

EFFECTIVE

NOV 21 2011

REPLACED BY NMPRC
BY Final Order Case # 11-00430-UT

Advice Notice No. 431



Gerard T. Ortiz
Executive Director, NM Retail Regulatory Services

GCG#512846

PUBLIC SERVICE COMPANY OF NEW MEXICO

Incremental Revenue Credit Guarantee Agreement (For Existing Service Locations Only)

THIS AGREEMENT is made and entered into this ____ day of ____, 20____ by and between PUBLIC SERVICE COMPANY OF NEW MEXICO, a New Mexico corporation, hereinafter called "PNM" or "Company", and ____, hereinafter called "Customer." Customer and Company hereby agree as follows:

1. Customer has requested Company to provide incremental electric service to property already taking electric service from the Company, which will require an upgrade or line extension of the Company's electric system involving the following type of work: _____.
2. The upgrade is being constructed pursuant to Company Work Order No. ____ to provide such incremental service at the following service address:

Street Number and Name: _____

City and Zip Code: _____

Under the following customer service account name: \$ _____

Company's line extension or upgrade bid is: \$ _____

3. Customer has received an incremental revenue credit of \$ _____. Customer understands and agrees that the incremental revenue credit Customer has received reflects an estimate based on Customer's projected 12-month incremental consumption and that actual incremental revenue at the service location may vary.
4. The incremental revenue amount which must be generated by all billing premises at the service address during the 18 month period of this Agreement is equal to the incremental revenue credit. Since the existing service location(s) already generate(s) a revenue stream for the Company, a baseline revenue amount has been established to determine the actual revenues that would have been received even if the upgrade had not been constructed. Customer understands and agrees that the incremental revenue amount that must be generated at the service address consists of actual revenues generated in excess of baseline revenue and that a baseline revenue in the amount of \$ ____ /month will be used to calculate the incremental revenue for the purpose of this Agreement. It is also understood that the calculation of incremental revenues hereunder shall not include cost pass-through items, e.g. franchise fees, underground rate riders, fuel cost recovery.
5. If after 18 months of service Company has not received incremental revenue from the existing service location that meets or exceeds the incremental revenue credit given, then Customer agrees to pay Company's billing for the underage. The start date for the 18-month service period will be the earlier of (i) the date permanent service is energized or (ii) 90 calendar days from when PNM has completed the construction of the line extension or upgrade (except for energizing the service).
6. Customer agrees to pay Company's invoice within 30 days following issuance of such billing. If the Customer does not pay the amount due within such 30 day period, then Customer agrees to pay an additional charge of 0.667% per month of the total balance in arrears, plus all of Company's costs, including attorney fees, incurred in collecting payment from Customer.
7. This Agreement, including the Company's Electric Line Extension Policy which is made a part hereof, shall at all times be subject to such changes and modifications as shall be ordered from time to time by any legally constituted regulatory body, including the New Mexico Public Regulation Commission ("NMPRC"), having jurisdiction to require such changes or modifications. Notice shall be given in accordance with the NMPRC's requirements if and when the NMPRC is requested to take action which could cause a change in the terms of this Agreement.

PUBLIC SERVICE COMPANY OF NEW MEXICO

Incremental Revenue Credit Guarantee Agreement (For Existing Service Locations Only)

8. This Agreement does not replace or supersede any other revenue credit guarantee agreement(s) between the Company and the Customer.
9. No amendments to this Agreement are authorized unless reduced to writing and signed by authorized representatives of each party.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

Customer:

Public Service Company of New Mexico:

Name of Customer

By

By

Title

Printed Name & Title of Signatory

Billing Address:

Company Use Only:

Meter Number

Banner Account Number

Work Order (W.O.) Number

Retirement Order (R.O.) Number

Work Request Number