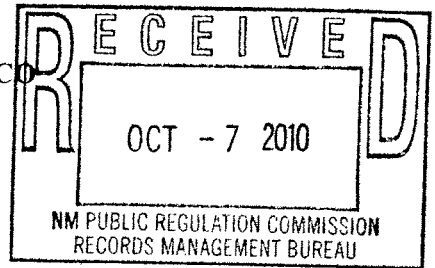


PUBLIC SERVICE COMPANY OF NEW MEXICO
ELECTRIC SERVICES

1ST REVISED RATE NO. 31
CANCELING ORIGINAL RATE NO. 31



LARGE PHOTOVOLTAIC RENEWABLE ENERGY CERTIFICATE

APPLICABILITY: The Large Photovoltaic ("PV") Renewable Energy Certificate rate is available to any customer ("Customer") of Public Service Company of New Mexico ("PNM" or "Company") who owns the premises on which a PV generation system rated greater than 10 kW up to 1 MW ("Large PV System") is sited, who has entered into standard agreements for interconnection and net metering and a Standard Large PV REC Purchase Agreement for Participation in PNM's Large PV Program and who meets one of the following conditions:

- 1. the customer submitted an application for a system rated greater than 10 kW up to 100 kW by August 31, 2010, or
- 2. the customer submitted an application for a system greater than 100 kW by August 27, 2010 and was "grandfathered" by order of the New Mexico Public Regulation Commission ("NMPRC"). This rate is closed to new applicants.

Any services hereunder will be furnished subject to the Company's Rules and Regulations and any subsequent revisions. These Rules and Regulations are available at the Company's office and are on file with the NMPRC. These Rules and Regulations are a part of this Schedule as if fully written herein.

TERRITORY: All territory served by the Company in New Mexico.

DEFINITIONS: The following definition applies to the terms discussed within this Schedule:

Large PV Renewable Energy Certificate ("Large PV REC") is a document evidencing that the enumerated PV renewable energy kilowatt-hours have been generated from a Large PV System. Large PV RECs are measured in the same units as the energy generated.

TERMS OF SERVICE:

Large PV REC Purchases: PNM will only purchase Large PV RECs generated by a Large PV System located on a Customer's premises. On a monthly basis, PNM will purchase the Large PV RECs owned by the Customer and associated with the energy generated by the Large PV System and consumed by Customer on Customer's premises at a rate of:

For contracts signed after March 1, 2009: 15.0000¢ per kWh

ACCESSIBILITY: Equipment used to meter Large PV RECs must be physically accessible as agreed to by the Company. The meter socket must be installed in accordance with the Company's Rules and Regulations.

TERMS OF PAYMENT: Large PV REC payments to the Customer shall commence in the billing period subsequent to the execution of a Standard Interconnection Agreement and subsequent to PNM's receipt and execution of a the Standard Large PV REC Purchase Agreement. Customer will receive

Advice Notice No. 405

Gerard T. Ortiz
Director, Regulatory Policy & Case Management

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information on its monthly electric bill documenting the number of Large PV RECs purchased by PNM, the Large PV REC purchase price, and the total payment for Large PV RECs purchased from Customer by PNM during the billing period.

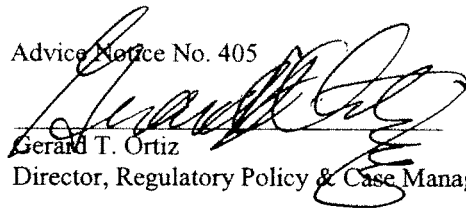
Large PV REC purchase payments will normally be applied as a credit to Customer's electric bill on a monthly basis. If the amount paid for the Large PV RECs is greater than the total of Customer's monthly electric bill by up to \$200.00, the resulting amount will be carried forward to the following month's electric bill. If the Large PV REC payment balance results in a Customer credit in excess of \$200.00, that balance will be paid directly to Customer.

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**REPLACED BY NMPRC
BY Operation of Law**

Advice Notice No. 405



Gerard T. Ortiz

Director, Regulatory Policy & Case Management

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