

SOCORRO ELECTRIC COOPERATIVE

September 25, 2015

This letter went out to
members who have
net metering with the
SEC

Socorro Electric Cooperative, Inc. (SEC) supports your decision to have an Interconnected PV System. In order to ensure that we can effectively maintain our Interconnect program, while also keeping the best interest of all SEC member/owners as a core value, we must promote a non-subsidized program.

At the September board meeting, Socorro Electric Cooperative Board of Trustees adopted Net-Metering Policy 425. Per policy, SEC will pay the avoided cost for any excess net energy received from your interconnect with SEC beginning with the October 2015 billings. Please reference the PRC rule below.

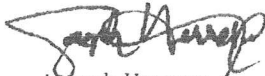
17.9.570.11 (A) NMAC – "A utility shall pay a qualifying facility avoided costs for power purchased from the qualifying facility. Avoided costs are defined in Subsection A of 17.9.570.7 NMAC. The energy rate represents avoided energy costs for the purposes of 17.9.570 NMAC. The energy rate and the avoided capacity costs to be paid to the qualifying facility for the power it sells to the utility shall be developed pursuant to Subsections B and C of 17.9.570.11 NMAC, respectively."

(HIGHLIGHTED
IN THE ORIGINAL)

Please find enclosed a copy of the Policy 425, and the current avoided costs filing for 2015.

If you have further questions or comments please feel free to contact jherrera@socorroelectric.com or 575-835-0560.

Thank you,

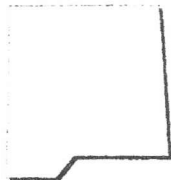

Joseph Herrera
General Manager



Your Touchstone Energy[®] Cooperative



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NEW MEXICO RURAL ELECTRIC COOPERATIVE ASSOCIATION

KEVEN J. GROENEWOLD, P.E.
*Executive Vice President/
General Manager*

*New Mexico's Rural Electric Self-Insurer's Fund
Rural's Conversation Part 2
enchantment Magazine
The Voice of New Mexico's Rural Electric Cooperatives*

January 30, 2015

Mr. Nick Guillen
New Mexico Public Regulation Commission
1120 Paseo de Peralta
P.O. Box 1269
Santa Fe, New Mexico 87501

Re: Socorro Electric Cooperative – NMPRC Rule 17.9.570.11 Annual Compliance Filing

Dear Mr. Guillen,

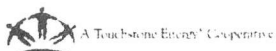
Pursuant to the New Mexico Public Regulation Commission's Final Order in Case No. 3694, and in compliance with NMPRC Rule No. 17.9.570.11, the 2015 energy rate schedule is hereby filed on behalf of Socorro Electric Cooperative. If you have any questions please contact me at (505) 982-4671.

Sincerely,

Keven J. Groenewold

cc: Joseph Herrera, Socorro Electric Cooperative

2015 JAN 30 11:13 AM
COMMUNICATIONS
NEW MEXICO



SOCORRO ELECTRIC COOPERATIVE

Subject: NET METERING POLICY		Policy No.: 425	
Original Issue: 09/23/2015	Last Revision:	Last Reviewed:	Page: 2 of 2

In order to receive these payments, SEC must have an executed REC contract from the Interconnect Member, and then Member is responsible for sending in REC readings to SEC no later than the 7th of each month.

- **MEMBER COMPLIANCE**

Net-Meter renewable interconnect must comply with NM PRC Rules 17.9.568, 569 and 570

Member interconnecting with SEC Distribution Circuit will be responsible for one hundred percent (100%) of the cost of the REC meter; which meters the total energy generated by the member's renewable system.

SEC Net-Meter is the property of the SEC which meters energy delivered to the member and received from the member.

Socorro Electric Cooperative
 Energy Rate Schedule
 2015

NEW MEXICO

COMMISSION

FILED

2015 JAN 30 07 15 49

Purchases	kWh	193,347,213
Sales	kWh	175,128,808
Percent Losses		9.42%

Month	Energy Purchase Rate cents/kWh
January	3.415
February	3.415
March	3.415
April	3.415
May	3.415
June	3.415
July	3.415
August	3.415
September	3.415
October	3.415
November	3.415
December	3.415

Calculation of Energy Purchase Rate for January through December of 2015:

$$\text{Wholesale Energy Rate} + \left(\text{Wholesale Energy Rate} \times \frac{(\text{2014 Form 7 Purchases} - \text{2014 Form 7 Sales})}{\text{2014 Form 7 Purchases}} \right)$$

or

$$31.21 \text{ m/kWh} + (31.21 \text{ m/kWh} \times \frac{(\text{2014 Form 7 Purchases} - \text{2014 Form 7 Sales})}{\text{2014 Form 7 Purchases}})$$



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BOARD OF TRUSTEES

POLICY STATEMENT

To support and encourage the installation of Net-Metered renewable generation projects in SEC's service territory and to promote a non-subsidized renewable Net-Metering program.

PROCEDURE

• **COST TO MEMBERS**

Members interconnecting to Socorro Electric Cooperative, Inc. (SEC) Distribution Circuit will pay an application fee of \$50.00 for any system up to 100kw, and \$50.00 plus \$1 per kW for facilities greater than 100 kW.

Members interconnecting to SEC Distribution Circuit will be responsible for one hundred percent (100%) of the cost of any necessary upgrades to SEC Distribution Circuit, transformer if required and the cost of the REC meter. Members interconnecting to SEC Distribution Circuit will be responsible for one hundred percent (100%) of the cost of interconnection energy flow studies not included in the application fee, if required.

• **SYSTEM REQUIREMENTS**

Only renewable systems may be connected to the renewable Net-Meter. All qualifying facility systems must be standalone and must be interconnected at SEC Net-Metering location.

Interconnection of mechanical combustible generators or battery systems will not be allowed to connect behind the Net-Meter.

• **COLLECTION OF ENERGY**

Aggregation of excess Net-Meter energy will not be allowed. Only the Net-Meter location will be credited and, paid for excess energy.

All Net-Meter members will be paid at the SEC avoided cost, filed with the NM PRC annually, for excess energy received to SEC Distribution Circuit. Those energy credits will be issued each month when the Member's account reaches greater than \$50.00.

Members who opt in to SEC Renewable Energy Credits (REC) program by executing the REC agreement, shall receive payment biannually in the months of May and September.