

KIT CARSON ELECTRIC COOPERATIVE, INC.
FOURTH REVISED RATE NO. 20
CANCELLING THIRD REVISED RATE NO. 20

OPTIONAL TIME-OF-USE
IRRIGATION (FIRM) POWER SERVICE

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AVAILABILITY:

Applicable to all irrigation consumers within the Utility's service area, subject to the execution of a service contract.

CHARACTER OF SERVICE:

Alternating current, single phase or three-phase, 60 Hertz at available primary or secondary voltages.

NET RATE PER BILLING PERIOD: (Or part thereof/service)

\$46.67 per billing period per service (System charge)

-PLUS-

All kWh per billing period @ \$0.06844/kWh

-PLUS-

Primary:

\$18.92 per kW from 6:00 a.m. (MST) to 9:00 p.m. (MST)

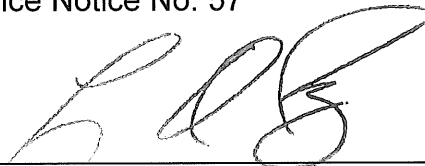
\$5.85 per kW from 9:00 p.m. (MST) to 6:00 a.m. (MST); or

Secondary:

\$19.42 per kW from 6:00 a.m. (MST) to 9:00 p.m. (MST)

\$6.35 per kW from 9:00 p.m. (MST) to 6:00 a.m. (MST)

Advice Notice No. 57



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NET RATE PER BILLING PERIOD: (Or part thereof/service) (Continued)

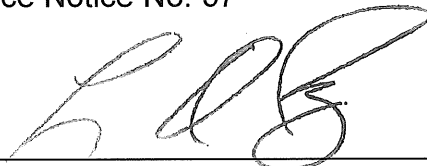
The system charge shall cover costs of providing electric service, including operation and maintenance of facilities, consumer accounting expenses and other administrative costs.

MINIMUM BILLING PERIOD CHARGES:

The billing period minimum charges shall be the higher of the following:

1. Minimum charges in accordance with Line Extension Policy or contract. (no power allowed for the first \$46.67)
2. Or, \$1.20 per kVA of installed transformer capacity plus \$46.67 system charge (no power allowed for the first \$46.67). Demand and energy allowances shall be made only during the billing period in which they occurred.
3. Or, minimum charges established by special contract between the consumer and the Utility. This charge shall be in addition to they system charge of \$46.67 (no kWh of kW allowance in system charge).

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METERING:

The Utility may install suitable demand and power factor measuring devices for billing under this schedule.

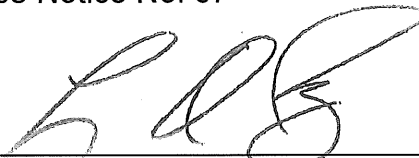
DETERMINATION OF BILLING DEMAND:

The billing demand shall be the maximum kilowatt demand established by the consumer for any fifteen minute period during the billing period for which the bill rendered, as indicated or recorded by a demand meter and adjusted for power factor as follows:

POWER FACTOR ADJUSTMENT:

The consumer agrees to maintain unity power factor as nearly as practicable. Demand charges will be adjusted for consumers with 50 kW or more of measured demand to correct for average factors lower than 90%, and may be so adjusted for other consumers with power factors less than 90% if and when the Utility deems necessary. Such adjustments will be made by increasing the assured demand 1% for each 1% by which the average power factor is less than 90% lagging.

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TAX ADJUSTMENT:

Billing under this schedule may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and of all other taxes, fees or charges (exclusive of Ad Valorem, State and Federal Income Taxes) payable by the Utility and levied or assessed by any governmental authority on the public utility service rendered, or on the right of privilege of rendering the service, or on any object or event incidental to the rendition of the service.

PURCHASED POWER COST ADJUSTMENT:

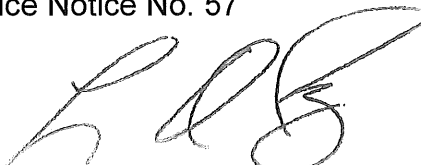
The Utility shall, if the purchased power expense is increased or decreased above or below the base purchased power cost of \$0.07025/kWh sold, flow through to the users such increases or decreases, in accordance with N.M.P.R.C. Rule 17.9.550 NMAC.

x

DEBT COST ADJUSTMENT:

The Utility may flow through increases or decreases in the cost of debt capital incurred pursuant to securities, above or below the debt cost utilized to establish rates in accordance with N.M.P.R.C Rule 17.9.540 NMAC.

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TERMS OF PAYMENT:

The charges per billing period in the foregoing rates are net, due and payable within twenty (20) days from the date on the bill.

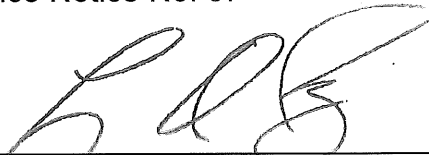
SERVICE CHARGE:

A service charge of one and one-half percent (1 ½%) per billing period or fraction thereof will be charged on all utility bills and invoices that are delinquent.

BILLING PERIOD:

The billing period shall be approximately 1/12 of a year, but not necessarily a calendar month.

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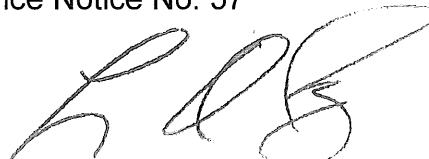
TEMPORARY OR UNUSUAL SERVICE:

Temporary or unusual service will be covered by the Utility' rules and regulations. In such cases, the minimum charges, conditions of furnishing substation equipment, connection and disconnection of service, and special conditions will be covered by special agreement with the Consumer. The Consumer shall pay for all expenses involved in furnishing the temporary service.

CONDITIONS OF SERVICE:

1. The Utility's rules and regulations, filed with the regulatory body shall apply.
2. All wiring, pole lines and other electrical equipment electrically on the load side of the metering point shall considered the distribution system of the Consumer and shall be furnished and maintained by the Consumer, unless otherwise specified in the Utility's rules and regulations.
3. The Consumer's installation shall conform to City, State and National Electrical Codes and Electrical Safety Codes.
4. The Consumer shall not resell or share electric service with others.

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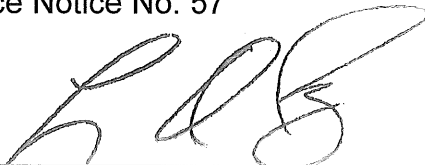
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CONDITIONS OF SERVICE:

5. Special conditions of service shall be covered by contract.
6. The rates and provisions herein are subject to any changes or modifications that may be lawfully ordered by any governmental body.

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A handwritten signature in black ink, appearing to read 'L. Reyes', is written over a horizontal line.

Luis A. Reyes, Chief Executive Officer