



NEW MEXICO GAS COMPANY

ORIGINAL RULE NO. 23

JOINT USE OF FACILITIES BY RURAL
IRRIGATION CONSUMERS

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- (a) The provisions of this Rule shall be applicable whenever two or more rural irrigation gas customers are served through a single point of connection between the Company's delivery line and the supply line(s), owned by one or more of such customers or by a cooperative or other association thereof, which is used to transport gas to the individual customer's respective premises. Such supply lines are referred to in this Rule as "customer-owned lines."
- (b) The point of delivery to all customers served through a customer-owned line shall be the point of connection between such line and the Company's delivery line, and all gas delivered and measured by the Company's master meter at that point shall be billed to the customers receiving gas through the customer-owned line, or their designated agent, as hereinafter provided.
- (c) In addition to the master meter at the point of delivery referred to above, the Company will also install and operate individual meters for measurement of the respective quantities of gas that are taken from any customer-owned line by the respective customer receiving service therefrom; provided, however, that the Company shall not be required to install an individual meter for any customer who is not an owner of the customer-owned line through which he desires service until such customer has obtained and delivered to the Company the written consent of the owner(s) of the line that such service be rendered by means thereof.
- (d) All gas which is measured through the Company's master meter and not accounted for by the readings of the individual meters on the customer-owned line shall be prorated monthly among the rural irrigation customer on the customer-owned line (without regard to whether gas was actually taken during the month by each such customer on the basis of the respective numbers of such customer's gas engine powered irrigation wells which (i) have been served through the line during any period within the preceding twelve months, and (ii) have not been permanently abandoned as a gas engine powered source of irrigation water; but in making such proration of gas, the Company shall not be required to give effect to connection of any additional gas engine powered irrigation well downstream of an existing individual customer meter or to any permanent abandonment of a well as a gas engine powered source of irrigation water until the first monthly billing period next succeeding written notice thereof to the Company. Each such rural irrigation customer shall be billed at the Company's applicable Gas Engine Rate for the volumes of gas so prorated to him plus the volumes of gas measured through his individual meter or meters and used as gas engine fuel, and shall be billed at the Company's Applicable General Service Rate for all gas measured through his individual meter or meters and otherwise used by him.
- (e) Notwithstanding the provisions of Paragraph (d), if the Company's standard form irrigation gas billing agreement has been executed by one of such irrigation gas customers or by a cooperative or other association thereof, gas volumes that are measured through the Company's master meter into a single customer-owned line and not accounted for by the aggregate readings of all individual meters on the line will be separately billed to the association or customer who has executed such agreement as the paying

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Advice Notice No. 1

Ryan Shell
V.P. Controller & Treasurer
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agent of the affected customers for such purpose and will not be prorated among the customers on the line. Each such separate billing to an association or paying agent, unless the applicable Rate provides for a single price for all gas delivered, shall be computed on the basis of the second highest step of such Rate.

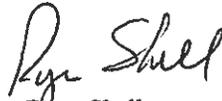
- (f) Whenever a customer has two or more irrigation wells served through the same customer-owned line, the volumes delivered monthly to all his said wells shall be combined for billing purposes.
- (g) The Company shall have no responsibility for operation or maintenance of any customer-owned line and shall not be responsible for maintenance or continuance of gas service to any customer affected by severance, removal or discontinuance of operation of all or any part of a customer-owned line between the point of delivery referred to in Paragraph (b) above and such customer's premises.

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