

NEW MEXICO GAS COMPANY
FIFTH REVISED RATE NO. 817
CANCELLING FOURTH REVISED RATE NO. 817

Transportation to Public Service Company of New Mexico - Bulk Power

Page 1 of 2

AVAILABILITY

Service under this Rate is available for transportation service to Public Service Company of New Mexico - Bulk Power.

TERRITORY

Reeves and Rio Bravo Plants, Albuquerque, New Mexico.


RATES

The rate for transportation of gas shall be:

1. The terms and conditions for applicability for the discounted gas transportation rate are as follows:
 - a. If the Reeves and/or Rio Bravo generating plant(s) are brought into service to fulfill the obligation to meet load-side management requirements, as requested by PNM Power Operations ("Load-Side"), the discounted rate will be \$0.851 per MMBtu.
 - b. If the Reeves and/or Rio Bravo generation(s) plant are brought into service for the generation of electricity to be sold by Transportation Customer on the wholesale power market, or to displace purchased power from the wholesale power market ("Marketing"), the Transportation Customer will be charged for transportation services at a discounted rate of \$0.25 per MMBtu.
 - c. Each day prior to either Reeves or Rio Bravo plant(s) being brought into service, Transportation Customer shall provide a daily schedule as to the volume it expects to be consumed at each Delivery Point for the twenty-four (24) hour period. Along with a daily schedule, Transportation Customer shall provide to the Company a report as to the volume of gas estimated to be consumed for Load-Side and the volume of gas estimated to be consumed for Marketing. On or before the third working day of each month, Transportation Customer shall provide the Company report(s) showing the gas delivered to the Reeves and Rio Bravo generating plant(s) to meet Load-Side requirements, and the difference between the total gas deliveries and the Load-Side requirement deliveries shall be the gas deliveries for Marketing generation. The monthly reports shall include worksheets reflecting support for daily Load-Side requirements and worksheets reflecting support for Marketing generation. The reports shall be utilized as support to bill the Transportation Customer the appropriate transportation rate(s).

2. ACCESS FEE: In addition to the rates for gas delivered, PNM shall pay an Access Fee of \$1,200.00 a month for the Rio Bravo Plant and an Access Fee of \$1,200.00 a month for the Reeves Plant. x
x

3. TAXES: Charges may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and for all other taxes, fees or charges (exclusive of ad valorem, state and Federal income taxes) payable by the Company and levied or assessed by any governmental authority on the public utility service rendered, or on the right or privilege of rendering the service, or any object or event incidental to the rendition of that service. x



Nicole Strauser
Director, Legal and Regulatory Affairs

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Page 2 of 2

CURTAILABILITY

Service under this Rate may be curtailed to protect service to higher priority customers in accordance with the Company's Rule No. 21.

OTHER CONDITIONS

1. Service under this Rate shall be subject to all applicable laws and orders and to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission.
2. Company shall transport gas received from Shipper at the receipt point and deliver equivalent quantities of gas on a MMBtu basis less a quantity of gas equal to one percent (1%). Such reduction in gas quantity redelivered shall be the fuel factor and deemed to reflect compressor fuel gas and gas lost and unaccounted for.
3. Service under this Rate shall be subject to Amendment No. 1 of the On-System Discounted Transportation Contract TRW 32927 between the Company and Public Service Company of New Mexico effective on February 1, 2018 and fully executed on January 24, 2018. x



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