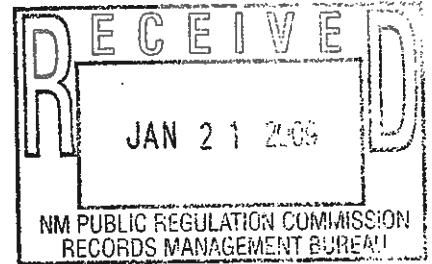


NEW MEXICO GAS COMPANY

ORIGINAL RATE NO. 39

ALTERNATIVE FUELS VEHICLE (AFV)



Page 1 of 1

AVAILABILITY

Service under this Rate is available to any person who requests AFV services provided hereunder.

TERRITORY

All of the Company's service areas.

RATES

1. Natural Gas Vehicle Fuel Rates:

- a. Basic Cost of Service Rate: During each monthly billing period, the rate for all gas delivered is \$0.05 per therm.
 - b. Cost of Gas Component: The basic charges for cost of service shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Rider No. 4.
 - c. Special Rate Adjustment: The basic charges shall be increased or reduced by the amounts indicated, as applicable to each particular area of service in the Special Rate Riders approved by the New Mexico Public Regulation Commission or its predecessor.
2. Tax Adjustment Clause: The charges 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 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 service.
3. Terms of Payment: All bills under this Rate are due and payable when rendered and become delinquent twenty (20) working days thereafter. Any amount left unpaid 30 days after the bill date is subject to a six hundred sixty seven one thousandths percent (0.667%) late payment charge.

CURTAILABILITY

Service under section Rates 1. 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 is subject to applicable laws and orders, and to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission.

EFFECTIVE

JAN 30 2009

REPLACED BY NMPRC
BY F10 08-00278-UT

Advice Notice No. 1

A handwritten signature in black ink that reads "Ryan Shell".

Ryan Shell
V.P. Controller & Treasurer
New Mexico Gas Company