



ZIA NATURAL GAS COMPANY

Service Application Checklist

Applicant is:

Property Owner

Renter

Application for New Service/Basic Application Packet (for service at a location where Zia Natural Gas has a meter installed):

Property owner will need:

- 1 Page Application, completed and SIGNED
- Proof of Ownership:
- Warranty Deed OR:
 - 1st page and page showing service address and signatures of purchase contract OR;
 - Copy of property taxes
- Copy of Driver's License

Renter will need:

- 1 Page Application, completed and SIGNED
- Lease Agreement OR:
 - Letter of Occupancy from landlord
- Copy of Driver's License
- Deposit {\$_____}

Deposit is based on historical usage at residence. In lieu of a deposit, Zia Natural Gas will accept a Credit Reference Letter from another utility indicating no late payments in the previous year.

Application for New Construction or Conversion/Four-Page Applications (for new service at a location where Zia Natural Gas DOES NOT currently have a meter installed) (**Please note, only the Property Owner may submit this application/request**)

Property Owner will need:

- 4 Page Application, completed and SIGNED
- Proof of Ownership:
 - Warranty Deed OR:
 - 1st page and page showing service address and signatures of purchase contract OR;
 - Copy of Property Taxes
- Copy of Driver's License



ZIA NATURAL GAS COMPANY APPLICATION FOR GAS SERVICE

Terms and Conditions

Zia Natural Gas Company, ("the Company") is hereby requested to provide gas service at the location herein described (the "premises"), and to furnish, own and maintain metering and regulating equipment located on the premises, and the Customer agrees to take and pay for such service. As a condition to such service, it is understood and agreed as follows:

1. All private service lines, piping, appurtenant facilities, and gas-burning appliances or equipment (excluding metering and regulating equipment), located on or within the premises, shall be owned, maintained and controlled by the Customer and/or premises' owner in accordance with the Company's rules, tariffs, and other applicable laws and regulations as amended from time to time. Except as otherwise required by law, the Company is in no way responsible for the inspection, testing, maintenance, or repair of equipment or facilities not owned by the Company.
2. The Customer agrees to pay for gas service at the Company's established rates as amended and changed from time to time, plus all sales, use, excise and other taxes and fees. The Customer further agrees to abide by the Company's present and future rules, tariffs and other applicable laws and regulations as a condition of gas service.
3. The Customer agrees that the Company will have the right of access to the Customer's premises at reasonable times for the purpose of installing, reading, inspecting, testing, maintaining, or repairing metering and regulating equipment, or for the purpose of removing its property, and for all other proper and lawful purposes. The Customer shall properly protect the Company's property located on the premises.
4. The Company shall not be liable for damages due to interruptions in service and the Customer shall hold the Company harmless from any and all claims or liability for damage or injury to persons or property which may arise out of or be caused by the construction, maintenance, use, or operation of service lines, piping, facilities, equipment, or appliances which are located on the premises.
5. For gas service requiring conversion to natural gas from an alternative fuel source: Customer understands that in some cases the conversion to natural gas of a Customer-owned appliance may result in the nullification of the manufacturer's warranty for the Customer-owned appliance.
6. Customer agrees that in the event the manufacturer's warranty is nullified by the conversion to natural gas by a Company representative, that Customer shall be fully responsible and shall hold the Company harmless for any and all claims which may have been covered by the manufacturer's warranty.
7. This application pertains solely to one meter to be installed at the premises. Separate applications will be required for other meters or locations.
8. It is further understood and agreed that I will be billed a minimum base charge \$ _____ plus gas consumption upon installation of service line and meter commencing with the Company's next applicable billing cycle.

Date of Application _____ Date Gas Service Desired _____

Own ___ Rent ___ Type of Gas Service (circle one): Residential Commercial Irrigation Other _____

Customer's Name: _____ SSN: _____

Spouse's Name: _____ SSN: _____

Business Name (if applicable): _____

Tax-exempt? Yes ___ (Provide copy of tax certificate) No ___

Driver's License # _____ Email _____

Employer _____ Telephone No. _____

Spouse Employer _____ Telephone No. _____

Service Address _____
(Physical Address/City/State/Zip)

Mailing Address _____

Telephone No. Home: _____ Mobile: _____ Business: _____

Owner of Premises: _____ Address _____

Previous Owner/Tenant: _____ Telephone No. _____

After Hours Emergency Contact: Name _____ Telephone: _____

Have you previously had an account with Zia? Yes ___ No ___

If Yes, at what location? _____ Number of Years _____

Do you presently have gas service with Zia in your name? Yes ___ No ___

If yes, what address (physical address, city)? _____

Do you want to discontinue your present gas service? Yes No If yes, what date? _____

The Customer attests that by signing this application, he/she has received and read a copy of the Company's Customer Service Guide.

Customer's Signature: _____ Application Taken By: _____

RECONNECTION OF SERVICE

Any customer whose service is discontinued may be required to pay a reconnection fee and service charge in addition to all other fees and charges before being reconnected to any system operated by Zia Natural Gas Company.

ENERGY ASSISTANCE PROGRAMS

The New Mexico Human Services Department offers the Low-Income Home Energy Assistance Program (LIHEAP) to help low income families pay their heating bills. In Hobbs, the office is located at 2120 North Alto, Suite D, (575)397-3400. In Lincoln County, the office is located at 26387 Highway 70, (575)378-1762. In Dona Ana County, the main office is located at 655 Utah Ave., (575)524-6500. In Raton, the office is located at 1233 Whittier St., (575)445-2308. Special consideration in determining deposit amounts and payment agreement terms may be made for residential customers who qualify for LIHEAP.

WINTER MORATORIUM PROTECTIONS

Your service will not be disconnected from November 15 through March 15 if you meet the qualifications of the Low Income Home Energy Assistance Program (LIHEAP) and have no past due amounts or you remain current on any payment agreement for past due amounts as of November 15. For more information, call the Human Services Departments listed above or the tribe or pueblo entity that administers a tribe's or pueblo's LIHEAP. Members of New Mexico tribes or pueblos who need help with translation or other matters may contact the NMPRC Consumer Relations Division at (888) 427-5772.

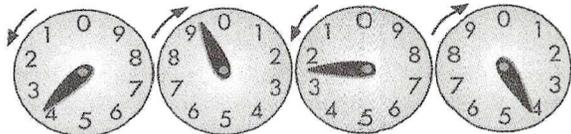
PAYMENT OPTIONS

Payment can be made by cash, check, or money order in your local office. Payment can be made by check or money order in the drop box located in each local office parking lot or by mail in the envelope provided with your bill. Zia also offers an automatic bank draft program for no additional charge.

Payments made through third-party payment processors, including online payments made through Zia's website, are subject to additional service fees charged directly by the third-party payment processor. Zia has no control over the amount of these service

HOW TO READ YOUR METER

On your gas meter, refer to the four large dials. Read the dials from left to right, and write down the lowest number the hand of each dial has passed. That gives you the current reading on your meter. To determine how much gas you've used, subtract the previous month's reading, shown on your bill, from the current reading. (Dial sample below reads 3924.)



If you have any questions about your natural gas service, please call or visit your local office. We're here to help you.

For the Lincoln County Area:

100 Short Drive
Ruidoso Downs, New Mexico 88346
575-378-4277
800-520-4277

For the Hobbs and Jal Areas:

510 E. Bender
Hobbs, New Mexico 88240
575-392-4277
800-470-9900

For the Dona Ana County and Hatch Area:

3700 W. Picacho Ave.
Las Cruces, NM 88007
575-526-4427
800-453-5546

For the Maxwell, Springer and Raton Areas:

575-375-2277

Maxwell Village Hall
(payment center only)
316 Maxwell Avenue
Maxwell, New Mexico 87728

Springer Village Hall
(payment center only)
606 Colbert Ave.
Springer, New Mexico 87747



ZIA NATURAL GAS COMPANY

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CUSTOMER SERVICE GUIDE

Zia Natural Gas Company is committed to providing reliable and economical natural gas service to all its customers. This Customer Service Guide is provided to you as a summary of the terms and conditions of service Zia is required to maintain under state regulation. A complete copy of Zia's Rates, Rules and Forms is available for your review in each of our district offices. If you have any questions about your natural gas service, please call or visit your local district office. This summary is being provided to you in accordance with NMPRC Rule 17.5.410 NMAC.



NEW MEXICO'S NATURAL CHOICE....
ZIA NATURAL GAS COMPANY

APPLYING FOR SERVICE

All customers are required to fill out an Application Form and bring it or send it by fax or email to the local office. A customer who owns or is purchasing a home or can provide a credit reference from another utility will not be required to pay a security deposit. Security deposits will be required for a customer who has not previously had utility service and who has not established an acceptable credit rating, for a customer who has been delinquent in payments three or more times in one year ("Chronically Delinquent"), or as a condition for re-connection of service following discontinuance of service by the company, or for any customer who is renting or leasing a home or apartment, unless that customer has previously been a Zia customer. A deposit for a residential customer shall not exceed an amount equivalent to one sixth (1/6) of that customer's estimated annual billings. If there is not a comparable period of service at that premises, then the deposit shall be based upon consumption of similar customers in the same area. The rates, fees, and charges to be charged to a customer can be found in Zia's approved Rate Schedules, available for review on the company website or in each local office.

BILLING PROCEDURES

A. Your Natural Gas Bill

Your natural gas bill includes the following charges, based upon the amount of usage:

1. Cost of gas - this is the cost for the gas supply purchased by Zia for delivery to its customers. Zia purchases its gas supply on a contract based on market costs. Zia does not mark-up this cost, and it is subject to state review and approval.
2. Distribution and Transmission charges: these are the costs for operating and maintaining Zia's transmission and distribution systems, including the pipelines, meters, and regulators and all equipment and personnel necessary to provide your service.
3. Any applicable rate riders approved by the New Mexico Public Regulation Commission.

Your bill will also include a monthly Base Charge that is incurred regardless of whether you use any gas. This is a customer access fee, associated with meter reading, administrative and accounting operations, and other customer service operations.

The Distribution, Transmission and Base Charges are reviewed and approved by the state regulatory commission, and cannot be changed without a general rate case. Your bill will also reflect the local sales tax and in some areas, a franchise fee, which is paid by Zia to the city or county for use of public rights-of-way in providing your natural gas service.

Your bill is due when you receive it, and if not paid, after twenty (20) calendar days from the mailing date, it is considered Delinquent. A late charge of 0.67% will be imposed on Delinquent balances.

B. Budget Payment Plan

A residential budget payment plan is available which will provide for twelve (12) equal monthly payments. The monthly payment will be calculated by determining the customer's total usage at that location for the previous twelve (12) months, including any under- or over- collection, and dividing the total by twelve (12). The budget payment plan is available to a residential customer who is current in payments for gas service or who has entered into and is complying with a Payment Agreement. Should a budget payment plan customer become Chronically Delinquent, the Company may remove such customer account from the budget payment plan.

C. Estimated Bills

Zia will send an estimated bill only if we are unable to obtain access to your meter or a meter is defective or has been evidently tampered with or bypassed, or weather conditions prohibit meter reading. Bills can only be based on estimated usage for no more than two (2) consecutive billing periods. We will attempt to contact you to alleviate the conditions preventing us from reading your meter. If we underestimate your usage and then correct your bill, you can participate in an installment payment plan with regard to the underestimated amount.

D. Disputed Bills

If you believe your bill is inaccurate, you must advise the Company that utility charges are in dispute by written notice, by telephone, or in person; provided that if notice is provided by telephone or in person, then you need to give us written notice of the dispute within five (5) days from the date of telephone or personal contact. The undisputed amount must still be paid when due. We will attempt to promptly resolve any dispute as quickly as possible, by working with you first through our clerks, then our office manager and our district manager. If the dispute cannot be resolved, then you may file a complaint with the NMPRC by calling (888)427-5772 or by writing to P.O. Box 1269, Santa Fe, NM 87504. Zia's Rule No. 13 provides more detailed information about disputed bills.

DISCONTINUANCE OF NATURAL GAS SERVICE

For our customer's protection, any customer desiring discontinuance of their natural gas service account must give notice to us in writing at the local office. We also sometimes interrupt service for a reasonable period for repairs or maintenance of our system; when this happens, we will make every effort to notify you and assist in relighting appliances.

The Company may discontinue service without prior notice:

1. In the event of a condition determined to be hazardous.
2. If your use of equipment adversely affects the Company's equipment or service to others.
3. If you tamper with, damage, or deliberately destroy the equipment furnished and owned by the Company.
4. In the event of unauthorized use of service.
5. In an emergency.

Service can be discontinued with three (3) days notice under the following conditions:

1. Refusal to grant access to equipment for the purpose of inspection, meter reading, maintenance or replacement.
2. Failure to furnish such service, equipment, permits, certificates, and/or rights of way, as shall have been specified by the Company as a condition to obtaining service, or in the event such equipment or permission is withdrawn or terminated.
3. Violation of and/or non-compliance with the Company's rules on file with and approved by the state regulatory commission.
4. Submission of a fraudulent Medical Certificate or Financial Certification Form.

Service may be discontinued after seven (7) days written notice for:

1. Failure to comply with the terms and conditions of a Payment Agreement.

Service may be discontinued after fifteen (15) days written notice for:

1. Non-payment of a delinquent account.
2. Failure to post a required security deposit or guarantee.

The Company will not discontinue service for:

1. Failure to pay for special services.
2. Failure to pay for service received at a separate service point, residence or location.
3. Failure to pay for a different class of service received at the same or different location.
4. Failure to pay the disputed amount of a bill.
5. Delinquency in payment for service to a previous occupant of the same premises unless a court has found the new customer legally liable for the debt of the previous occupant or the previous occupant continues to reside at the premises.
6. Failure to pay the bill of another customer as guarantor thereof.

We will notify a third party - a specific person, organization, or governmental agency - on your behalf, who is willing to assist you in the payment of utility bills. Just fill out one of our Third Party Guaranty forms.

If you are in danger of being disconnected, and there is someone in your household who is chronically or seriously ill, you may avoid discontinuance by submitting a complete Medical Certificate and Financial Certificate, available in your local office, and executing a Payment Agreement.

To avoid being disconnected you may enter into a Payment Agreement with the Company that will allow for three installment payments of the amount due, over a forty-five day period.



WARNING

THE FAILURE TO **IMMEDIATELY** LIGHT ALL THE PILOT LIGHTS FOR ALL NATURAL GAS FUELED APPLIANCES OR ASSURE THAT ALL GAS VALVES TO SUCH APPLIANCES ARE CLOSED UPON THE CONNECTION OR RE-CONNECTION OF NATURAL GAS SERVICE BY ZIA NATURAL GAS COMPANY MAY RESULT IN AN **EXTREMELY HAZARDOUS** CONDITION.

BY SIGNING THIS FORM, THE CUSTOMER, _____,
HEREBY ATTESTS THAT: (Print Name)

- (Check One) 1. THE CUSTOMER WILL TAKE FULL RESPONSIBILITY FOR IMMEDIATELY LIGHTING ALL PILOT LIGHTS OR SHUTTING OFF VALVES TO UNUSED APPLIANCES.
2. THE CUSTOMER WILL HIRE A CERTIFIED PLUMBER TO IMMEDIATELY LIGHT ALL PILOTS OR SHUT OFF VALVES TO UNUSED APPLIANCES.

Customer Signature: _____ Date: _____

Service Address: _____

Zia Natural Gas Company Representative: _____

The Company shall not be liable for damages due to interruptions in service and the Customer shall hold the Company harmless from any and all claims or liability for damage or injury to persons or property which may arise out of or be caused by the construction, maintenance, use or operations of service lines, piping, facilities, equipment, or appliances which are located on the premises. Customer accepts full responsibility that appliances and customer owned equipment conform to the New Mexico Mechanical Bureau Code of Regulations.



ZIA NATURAL GAS COMPANY

Excess Flow Valve Notification for Residential Customers

As required by the U.S. Department of Transportation (DOT) pipeline safety regulation, 49 CFR 192.383, you are hereby notified that an excess flow valve ("EFV") which meets the minimum DOT performance standards is available for installation on your natural gas service line that operates continuously throughout the year at a pressure not less than 10 psig and does not meet the conditions of 49 CFR-PART 192.383 paragraph (c). Please note that an EFV is not required for the normal, safe operation of your service line, but could help mitigate the consequences of a service line break or rupture.

An EFV is designed to shut off and/or significantly restrict the flow of natural gas automatically if the service line to the customer breaks due to excavation, earthquakes, fire, run over meter sets, augers or other causes. A service line is the piping from the gas distribution main to the customer meter set and may run underground through the customer's yard. EFVs generally do not protect against slow leaks like those caused by loose fittings or leaks beyond the gas meter such as house piping and customer appliances. While the use of an EFV may help to limit the effects of such an incident, the best way to avoid excavation damages is to ensure that those who may have reason to be excavating on your property call 811 prior to digging.

Installation of an EFV is not mandatory. However, if you would like to have an EFV installed in an existing natural gas service line, Zia Natural Gas Company will complete such an installation at a mutually agreeable date for a base cost of \$600 when installed in a plastic service line or a base cost of \$950 when installed in a steel service line. These costs are for labor and material only, and do not include cost(s) associated with local excavation permits, paving, or landscaping work that may be required following the installation. Such costs, if any, will be the responsibility of the property owner. A cost estimate will be provided by Zia Natural Gas Company upon request.

Zia Natural Gas Company makes no warranties, expressed, implied or otherwise, for continued proper excess flow valve operation under any use conditions and/or for inadvertent valve closure under varying gas system operating conditions.

Questions may be addressed to your local Zia Natural Gas Company Office.

CUSTOMER INQUIRIES CONTACT YOUR LOCAL OFFICE:

510 E. BENDER
P.O. BOX 2220
HOBBS, NEW MEXICO 88241
(575) 392-4277

100 SHORT DRIVE
P.O. DRAWER 888
RUIDOSO DOWNS, NEW MEXICO 88340
(575) 378-4277

101 SOUTH 4TH STREET
P.O. BOX 1303
JAL, NEW MEXICO 88252
(575) 395-2141

3700 W. PICACHO AVE.
LAS CRUCES, NEW MEXICO 88004
(575) 526-4427