

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF THE APPLICATION)	
BY ZIA NATURAL GAS COMPANY FOR)	
APPROVAL OF ITS FIRST ENERGY)	Case No. 16-00021-UT
EFFICIENCY APPLICATION AND PROGRAM)	
RATE RIDER PURSUANT TO NEW MEXICO)	
PUBLIC UTILITY AND EFFICIENT USE OF)	
ENERGY ACTS)	
ZIA NATURAL GAS COMPANY, Applicant.)	
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NOTICE TO CUSTOMERS

Notice is hereby given by the New Mexico Public Regulation Commission ("NMPRC" or the "Commission") of the following:

Zia Natural Gas Company, Inc. ("Zia") filed an Application requesting approvals and authorizations necessary to implement its first Energy Efficiency Program Plan and budget. Zia proposes energy efficiency measures in five general categories: (1) Space Heating, (2) Water Heating, (3) New Construction, (4) Low Income, and (5) Commercial. Within each of these general categories, Zia proposes packages of energy efficiency measures designed to pinpoint high energy usage appliances, identify and eliminate drafts and energy leakage, and improve overall energy consumption and efficiency within both residential and commercial buildings.

Zia's proposed energy efficiency program costs would be collected through an Energy Efficiency Rate Rider as a per one hundred cubic foot rate. The estimated annual cost of Zia's proposed 2016 program is \$432,528, and for the initial year of the Program the Rate Rider is \$0.01593 per CSCF.

The following table compares the average monthly bill by customer class for each operating district with and without the Energy Efficiency Rate Rider:

MONTHLY AVERAGE BILL COMPARISON BY OPERATING DISTRICT
ZIA NATURAL GAS COMPANY PROPOSED ENERGY EFFICIENCY RATE RIDER

Operating District Customer Type	Energy Efficiency Rate (\$/ccf)	Average Monthly Usage (ccf)	Average Monthly Bill			
			without Rate (\$)	with Rate (\$)	Increase (\$)	%Inc. (%)
Lea and Eddy County						
Residential Customer	0.01455	47	38.38	39.07	0.68	1.78%
Small Commercial Customer	0.01455	116	82.83	84.52	1.69	2.04%
Large Commercial Customer	0.01455	801	507.91	519.56	11.65	2.29%
Lincoln County						
Residential Customer	0.01276	56	39.63	40.34	0.71	1.80%
Small Commercial Customer	0.01276	159	96.54	98.57	2.03	2.10%
Large Commercial Customer	0.01276	1209	659.43	674.86	15.43	2.34%
Colfax County						
Residential Customer	0.01314	67	50.40	51.28	0.88	1.75%
Small Commercial Customer	0.01314	235	153.49	156.58	3.09	2.01%
Large Commercial Customer	0.01314	235	153.49	156.58	3.09	2.01%
Dona Ana County						
Residential Customer	0.01406	41	34.09	34.66	0.58	1.69%
Small Commercial Customer	0.01406	210	133.60	136.55	2.95	2.21%
Large Commercial Customer	0.01406	1276	760.23	778.17	17.94	2.36%

*** All Rates and Volumes are listed at Billing Pressure

*** Does not include GRT, Franchise Fees, or I&S Fees

The Commission has assigned Case No. 16-00021-UT to this proceeding, and all inquiries or written comments concerning this proceeding should refer to that case number.

The Hearing Examiner has established the following schedule for this case:

A. Any person who desires to become a party to this case must file a Motion for Leave to Intervene, pursuant to 1.2.2.23 NMAC, on or before August 31, 2016.

- B. Zia shall file supplemental testimony on or before September 16, 2016.
- C. The Commission Utility Division Staff shall, and Interveners may, file Direct Testimony on or before October 14, 2016.
- D. Rebuttal Testimony shall be filed on or before October 28, 2016.
- E. A public hearing on this matter will be held on November 3, 2016, commencing at 9:00 A.M. at the Commission's offices, P.E.R.A. Building, 1120 Paseo de Peralta, Santa Fe, New Mexico.
- F. The procedural dates and requirements provided herein are subject to further Order of the Commission or the Hearing Examiner. Interested persons should contact the Commission for confirmation of the hearing date, time, and place since hearings are occasionally rescheduled.
- G. The Commission's Utility Division Procedures, 1.2.2 NMAC, shall apply to this case except as modified by Order of the Commission or Hearing Examiner.
- H. Any interested party may appear at the hearing and make written or oral comment pursuant to 1.2.2.23(F) NMAC without becoming an intervener. Such comments will not be considered as evidence in this case.
- I. Any person with a disability requiring special assistance in order to participate in this proceeding should contact the offices of the Commission at least 24 hours prior to the commencement of the hearing.
- J. Any person may examine Zia's filing together with any exhibits and related papers that may be filed in this case at Zia's local offices at- 510 E. Bender Blvd., Hobbs, NM, (575)392-4277; 100 Short Drive, Ruidoso Downs, New Mexico, (800) 520-4277; 3700 W. Picacho Ave., Las Cruces, NM, (575)526-4427; or at the Commission's offices, 1120 Paseo de Peralta, Santa Fe, New Mexico, (888) 427-5772. Further information regarding this case can be obtained at the Commission's website, <http://www.nmprc.state.nm.us/> or at Zia's website, <http://zngc.com/>.
- K. Any person filing pleadings or testimony shall serve copies through U.S. Mail and via e-mail on all parties, Staff and the Hearing Examiner. Any person

whose testimony has been pre-filed shall attend the hearing and submit to examination under oath.

ISSUED at Santa Fe, New Mexico this 5th day of July, 2016.

NEW MEXICO PUBLIC REGULATION COMMISSION

Elizabeth C. Hurst
Hearing Examiner