

BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

**IN THE MATTER OF THE)
APPLICATION OF RATON NATURAL)
GAS COMPANY FOR APPROVAL OF) Case No. 18-00312-UT
ITS 2018-2019 ENERGY EFFICIENCY)
PROGRAM PLAN AND FOR)
APPROVAL OF A PROGRAM COST)
RATE RIDER PURSUANT TO THE)
EFFICIENT USE OF ENERGY ACT)
AND 17.7.2 NMAC)**

NOTICE TO RATON NATURAL GAS COMPANY CUSTOMERS

Notice is hereby given to all Raton Natural Gas Company Customers of the following:

1. On October 1, 2018, Raton Natural Gas Company ("RNG") filed with the Commission an Application requesting approvals and authorizations necessary to implement its 2018-2019 Energy Efficiency (" E E ") Program Plan. The Application requests approval to add three new Residential EE measures to its existing Residential programs and three new Commercial EE programs.

Specifically, RNG requests to continue its current Residential EE programs and add the following three new Residential measures: 1) a Water Heating program which will provide incentives and rebates for the installation of high efficiency rated natural gas water heaters; 2) a Space Heating program that will provide incentives and rebates for the installation of high efficiency natural gas space heating appliances and energy conservation devices; and 3) an Income Qualified program that includes a package of residential weatherization and other energy efficiency offerings for RNG's low-income customers.

The three new Commercial programs for which the Application seeks approval

include: 1) a Water Heating program which will provide incentives and rebates for the installation of high efficiency rated commercial natural gas water heaters; 2) a Space Heating program that will provide incentives and rebates for the installation of high efficiency commercial natural gas furnaces; and 3) free energy efficiency assessments that will include free commercial grade programmable thermostats and low-flow pre-rinse spray valves.

2. The New Mexico Efficient Use of Energy Act allows RNG to recover its prudent and reasonable costs incurred as a result of implementing, funding, and administering energy efficiency programs through a tariff rider. RNG proposed to recover its program costs through its Second Revised Rate No. 6, its Energy Efficiency Rate Rider as a per ccf rate. RNG is requesting that the proposed programs and overall portfolio annual budget of \$21,432 be approved for the 2018-2019 Program Years. RNG estimates that the proposed programs and the proposed annual budget of \$21,432 will be approved by the NMPRC in the Second Quarter of 2019.

3. The proposed Energy Efficiency Rate Rider will be applicable to all customer classes eligible to participate in RNG's energy efficiency programs, including all residential and commercial customers. The proposed Energy Efficiency Rate Rider rate is \$0.0055 per ccf.

4. The following table compares the monthly average bill for a Residential and a Commercial customers including the proposed new \$0.0055 per ccf Energy Efficiency Rate Rider surcharge. The Monthly Average Bill Comparison includes the Cost of Gas Component and excludes applicable taxes and fees¹:

¹ For illustration purposes, the Monthly Average Bill Comparison table reflects the current Cost of Gas in September 2018 bills.

Monthly Average Bill Comparison

Rate Class	Proposed EE Rate Rider \$/ccf	Average Bill Usage ccf	Current Average Bill	With Proposed EE Rate	Increase \$	Increase %
Residential	\$.0055	78	\$43.41	\$43.49	\$.08	.18%
Commercial	\$.0055	336	\$160.71	\$162.56	\$1.85	1.15%

The bill comparisons are for informational purposes only. The impact of the proposed new Energy Efficiency Rate Rider will vary according to individual customer usage. In addition, the tariff rider ultimately approved by the Commission may vary the rate rider charges to each eligible customer class approved in this case or in future applications of the tariff rider.

5. Any person may examine RNG's Application, together with any exhibits and related papers that may be filed, during regular business hours at RNG's office located at 1360 South Second Street, Raton, New Mexico 87740, telephone 575-445-3613; or at the Commission's offices, 1120 Paseo de Peralta, Santa Fe, New Mexico 87501. Further information can be obtained at the Commission's Case Look Up E-docket on the website at <http://www.nmprc.state.nm.us>.

6. The Commission has assigned Case No. 18-00312-UT to this proceeding, and all correspondence, pleadings, inquiries, written comments or other communications concerning this matter should refer to that case number.

7. 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 the original and five copies of a Motion for Leave to Intervene, pursuant to 1.2.2.23(A) and (B) NMAC, or before December 7, 2018. All motions for leave to intervene, pleadings

or testimony shall be served on all existing parties, other proposed intervenors of record and the Hearing Examiner by e-mail or U.S. mail. The Hearing Examiner's e-mail is Frances.Sundheim@state.nm.us. All filings shall be sent to:

New Mexico Public Regulation Commission
ATTN: Records and Docketing Department
PERA Building, Room 406
PO Box 1269
1120 Paseo de Peralta
Santa Fe, New Mexico 87501-1269

B. The Commission Utility Staff shall, and Interveners may, file Direct Testimony on or before February 8, 2019.

C. Any Rebuttal Testimony must be filed on or before March 1, 2019.

D. A public hearing will be held on March 25, 2019 at 9:30 A.M. and continue thereafter through March 29, 2019, if necessary, in the Ground Floor Hearing Room of the Commission in the PERA Building, 1120 Paseo de Peralta, Santa Fe, New Mexico, to hear and receive testimony, exhibits, arguments, and any other appropriate matters relevant to this proceeding.

8. 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 because hearings are occasionally rescheduled.

9. The Commission's Rules of Procedure found at 1.2.2 NMAC shall apply to this proceeding unless modified by order of the Commission or the Hearing Examiner. Such rules are available online at the official NMAC website <http://164.64.110.134/nmac/nmac-titles>.

10. Any interested person may appear at the time and place of hearing and

make an oral or written comment pursuant to Rule 1.2.2.23(F) NMAC without becoming an intervenor. Such comments will not be considered as evidence in this case.

11. Any person with a disability requiring special assistance in order to participate in this proceeding should contact the Commission at 1-888-427-5772 at least 24 hours prior to the commencement of the hearing.

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

ISSUED at Santa Fe, New Mexico on November 8, 2018.

NEW MEXICO PUBLIC REGULATION COMMISSION

Frances I. Sundheim
Hearing Examiner