

# LAS CRUCES UTILITIES

Sheet Number **G-2021.1**  
Revision Approval Date: April 8, 2021  
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LCUB Resolution Number 20-21-LCU028

<b>NATURAL GAS</b>
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# LAS CRUCES UTILITIES

Sheet Number G-2021

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<b>NATURAL GAS</b>
<b>RESIDENTIAL SERVICE</b>

## AVAILABILITY

Available in the Las Cruces Utilities gas service area for the exclusive use of the individual customer for domestic purposes, e.g., cooking, water heating, space heating, or clothes drying. Service to buildings attached to the residence, including garages and other minor buildings for the use of the residents, may also be provided through the residential meter. Service under this rate schedule shall also be provided to multi-family dwelling units within a single structure under single ownership provided that the predominant gas use is attributable to the primary dwelling unit. Service to a residence which is used in part for commercial purposes shall be served under this rate schedule only if the predominant usage is for residential purposes.

## RATE

The bills are the sum of:

### **Cost of Gas Charges**

Volume charge per dekatherm (dth).....pursuant to terms stated in the Cost of Gas Schedule

### **Cost of Service Charges**

Access charge per month.....\$13.75

Volume charge per dth.....\$1.34

### **Tax and Franchise Fee**

Applicable Tax and Franchise Fee assessed by a Governmental Authority and not included in Cost of Service Rates.

## BILLING UNITS

The unit volume for the purpose of billing shall be a dekatherm of gas for the amount consumed during a billing cycle.

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<b>NATURAL GAS</b>
<b>SMALL COMMERCIAL SERVICE</b>

## AVAILABILITY

Available in the Las Cruces Utilities (LCU) gas service area for any establishment engaged in the operation of a business or an institution, whether or not for profit.

Total annual use shall be less than or equal to 4,000 dekatherms. New commercial service accounts with no prior consumption history and having an installed meter capacity below 1,000 cubic feet per hour (cfh) will be deemed Small Commercial Service unless definitive information is provided by the customer to properly determine the appropriate gas service schedule. Gas consumption history for existing accounts will be used to determine the appropriate service schedule unless specific information is provided by the customer to properly classify the service under the appropriate schedule.

If a customer's annual consumption review equals or exceeds 90% of the consumption test and its load demonstrates that it should qualify for service under a different class of service, LCU shall reclassify the customer to the more appropriate rate class.

## RATE

The bills are the sum of:

### **Cost of Gas Charges**

Volume charge per dekatherm (dth).....pursuant to terms stated in the Cost of Gas Schedule

### **Cost of Service Charges**

Access charge per month.....\$16.41

Volume charge per dth.....\$1.07

### **Tax and Franchise Fee**

Applicable Tax and Franchise Fee assessed by a Governmental Authority and not included in Cost of Service Rates.

## BILLING UNITS

The unit volume for the purpose of billing shall be a dekatherm of gas for the amount consumed in a billing cycle.

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## NATURAL GAS

### IRRIGATION PUMPING SERVICE

#### AVAILABILITY

Available in the Las Cruces Utilities gas service area for irrigation water pumping.

#### RATE

The bills are the sum of:

##### **Cost of Gas Charges**

Volume charge per dekatherm (dth).....pursuant to terms stated in the Cost of Gas Schedule

##### **Cost of Service Charges**

Access charge per month.....\$16.56

Volume charge per dth.....\$0.76

##### **Tax and Franchise Fee**

Applicable Tax and Franchise Fee assessed by a Governmental Authority and not included in Cost of Services Rates.

#### BILLING UNITS

The unit volume for the purpose of billing shall be a dekatherm of gas for the amount consumed in a billing cycle.

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<b>NATURAL GAS</b>
<b>LARGE COMMERCIAL SERVICE</b>

## AVAILABILITY

Available in the Las Cruces Utilities (LCU) gas service area for any establishment engaged in the operation of a business or an institution, whether or not for profit.

Total annual use shall be in excess of 4,000 dekatherms (dth) but not greater than 16,000 dth. New commercial service accounts with no prior consumption history and having an installed meter capacity of at least 1,000 cubic feet per hour will be categorized under this service schedule unless definitive information is provided by the customer to properly determine the appropriate gas service schedule. Gas consumption history for existing accounts will be used to determine the appropriate service schedule unless specific information is provided by the customer to properly classify the service under the appropriate schedule. After qualification, service shall be for a minimum of twelve consecutive months. Upon termination of the twelve consecutive month period, the customer must re-qualify for applicability of this rate.

If a customer's annual consumption review equals or exceeds 90% of the consumption test and its load demonstrates that it should qualify for a service under a different class of service, LCU shall reclassify the customer to the more appropriate rate class.

## RATE

The bills are the sum of:

### **Cost of Gas Charges**

Volume charge per dekatherm (dth).....pursuant to terms stated in the Cost of Gas Schedule

### **Cost of Service Charges**

Access charge per month.....	\$214.86
Volume charge per dth.....	\$1.02

### **Tax and Franchise Fee**

Applicable Tax and Franchise Fee assessed by a Governmental Authority and not included in Cost of Service Rates.

## BILLING UNITS

The unit volume for the purpose of billing shall be a dekatherm of gas for the amount consumed in a billing cycle.

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<b>NATURAL GAS</b>
<b>INDUSTRIAL SERVICE</b>

## AVAILABILITY

Available in the Las Cruces Utilities (LCU) gas service area for any establishment engaged in the operation of a business or an institution, whether or not for profit.

Total annual use shall be in excess of 16,000 dekatherms (dth) but not greater than 125,000 dth. New industrial service accounts with no prior consumption history will be deemed Large Commercial Service unless definitive information is provided by the customer to properly determine the appropriate gas service schedule. Gas consumption history for existing accounts will be used to determine the appropriate service schedule unless specific information is provided by the customer to properly classify the service under the appropriate schedule. After qualification, service shall be for a minimum of twelve consecutive months. Upon termination of the twelve consecutive month period, the customer must re-qualify for applicability of this rate.

If a customer's annual consumption review equals or exceeds 90% of the consumption test and its load demonstrates that it should qualify for a service under a different class of service, LCU shall reclassify the customer to the more appropriate rate class.

## RATE

The bills are the sum of:

### **Cost of Gas Charges**

Volume charge per dekatherm (dth).....pursuant to terms stated in the Cost of Gas Schedule

### **Cost of Service Charges**

Access charge per month.....\$859.44

Volume charge per dth.....\$1.02

### **Tax and Franchise Fee**

Applicable Tax and Franchise Fee assessed by a Governmental Authority and not included in Cost of Service Rates.

## BILLING UNITS

The unit volume for the purpose of billing shall be a dekatherm of gas for the amount consumed in a billing cycle.

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<b>NATURAL GAS</b>
<b>HIGH VOLUME SERVICE</b>

## AVAILABILITY

Available in the Las Cruces Utilities gas service area for any establishment engaged in the operation of a business or an institution, whether or not for profit.

Total annual use shall be greater than 125,000 dekatherms. The customer must have at least twelve consecutive months of consumption to qualify for this rate. After qualification, service shall be for a minimum of twelve consecutive months. Upon termination of the twelve consecutive month period, the customer must re-qualify for applicability of this rate.

## RATE

The bills are the sum of:

### **Cost of Gas Charges**

Volume charge per dekatherm (dth).....pursuant to terms stated in the Cost of Gas Schedule

### **Cost of Service Charges**

Access charge per month.....\$1,043.41

Volume charge per dth.....\$0.29

### **Tax and Franchise Fee**

Applicable Tax and Franchise Fee assessed by a Governmental Authority and not included in Cost of Service Rates.

## BILLING UNITS

The unit volume for the purpose of billing shall be dekatherm of gas for the amount consumed in a billing cycle.

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<b>NATURAL GAS</b>
<b>COST OF GAS SCHEDULE</b>

## **APPLICABILITY**

All rate schedules for natural gas service are subject to a cost of gas factor. The cost of gas factor will be determined as conditions warrant.

## **Cost of Gas Charges Calculation**

The cost of gas charge per dekatherm (dth) will be computed monthly and consists of the total natural gas cost the City pays to its supplier or suppliers and natural gas transportation provider or providers. These costs include the following:

### **1. Transportation Cost**

- a) The sum of annual pipeline capacity reservation charges, divided by
- b) Estimated annual throughput (dth), plus
- c) Unit usage rate per dekatherm (dth), plus
- d) Surcharges.

### **2. Commodity Cost**

- a) Costs paid to natural gas supplier or suppliers.

### **3. Mainline Fuel Assessment**

- a) Mainline fuel assessed by natural gas transportation pipeline.

## **EMERGENCY COMMODITY RECOVERY SURCHARGE (ECRS)**

The ECRS recovers gas commodity expense that exceeds the normal gas commodity cost, due to production and/or transportation disruption.

## **Tax and Franchise Fee**

Applicable Tax and Franchise Fee assessed by a Governmental Authority.



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<b>NATURAL GAS</b>
<b>NEW CONNECTION CHARGES</b>

**New Connection for Standard Service and Metering Fee** .....\$387.00 per connection

Standard Service and Metering for the purposes of a new connection shall consist of 50 feet of ¾ inch service line and one 250 cubic feet per hour (cfh) meter.

A new standard connection exceeding 50 feet of service line will be charged \$4.80 per foot to complete the connection.

**New Connection for Non-Standard Service and Metering Fee**

A new connection requiring metering capacity greater than 250 cfh shall be charged the total cost of the higher capacity metering for the new connection and the Service Line Charge shall be \$15.70 per foot to complete the connection for the first 50 feet and \$4.80 per foot for a service line connection exceeding 50 feet.

<b>Connected Load Up to But Not <u>Exceeding</u></b>	<b><u>Meter Charge</u></b>
400 cfh	\$305.00
675 cfh	\$1,030.00
1,000 cfh	\$1,340.00
1,500 cfh	\$1,340.00
>1,500 cfh	\$3,550.00 <i>Plus, an additional \$1,460.00 if an Electro Corrector is required</i>

**Other charges (not applicable to New Service Connection and Metering)**

Dona Ana County Road Fee ..... Based on applicable County charges  
 Elephant Butte Irrigation District (EBID) Permit ..... Based on applicable EBID charges  
 Un-cased Road Bore ..... Based on cost and material  
 Cased Road Bore ..... Based on cost and material

New connections to Las Cruces Utilities main lines that require off-site improvements to connect service shall be based on the specific cost of material and labor.

Pavement patching exceeding 25 linear feet shall be charged .....\$30.00 per foot  
 Non-standard pavement cut and patch .....\$750.00  
 Manifold installation charge .....\$177.00 per Single Meter Manifold

**Example would be as follows where more than 1 Meter Manifold is requested:**

2 Meter Manifold Cost, \$177.00 per meter, times 2 meters = \$354.00

3 Meter Manifold Cost, \$177.00 per meter, times 3 meters = \$531.00

**\$150 Unable to Connect Service Charge**

This charge shall be made when Las Cruces Utilities is notified by the customer or customer's representative that the service site is ready for service and connection and utility personnel have been scheduled to physically connect service, but are unable to connect the service due to, among other things, work site obstructions or incomplete service installation necessary for the utility to perform the necessary and appropriate connection.

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## NATURAL GAS

### NATURAL GAS MAIN EXTENSION POLICY

#### APPLICABILITY

Natural gas main extensions necessary to any location within the City of Las Cruces (City) service area that Las Cruces Utilities (LCU) determines is economically feasible and does not cause an unreasonable incremental cost to existing customers. The design of this policy is based on the following objectives: 1.) Extension of natural gas service to customers in underserved areas, and 2.) Constructing total gas system distribution reliability and redundancy.

#### **Standard Connection Allowance**

To determine if a gas main extension from an existing distribution infrastructure is economically feasible, LCU will evaluate the Standard Connection Allowance (Standard Allowance) and the total cost of a specific gas main extension to an unserved area in the City's gas service area. The Standard Allowance is based on the expected 5-year base revenue stream from potential customers of a gas main expenditure that may be incurred for an "average" customer without significant adverse effect to existing customers. The Standard Allowance will be based on a system wide average consumption level of 80 dekatherms per year and rounded to \$1,400.00 and revised as cost of service gas rate charges are updated.

#### **Gas Main Extension Assessment and Standard Allowance Administration**

LCU will calculate the Cost of Gas Main Assessment per parcel based on the total project estimated cost and the number of parcels that will benefit from the gas main extension. At the discretion of LCU, the calculation of the Cost of Gas Main Assessment will be determined based on the units of parcels or service points (*Calculated Gas Main Extension Total Project Cost divided by the Number of parcels that benefit from gas main extension = the Cost of Gas Main Assessment*).

When the project has been accepted, LCU will notify all parcel property owners benefiting from the gas main extension. The date of this letter will serve as the Notification Date for purposes of the provisions below. The letter shall inform the parcel property owners that construction is complete and of the process for requesting connection, paying the assessment, and other provisions of this policy.

The Cost of Gas Main Assessment minus the Standard Allowance generally satisfies the Cost of Gas Main Assessment. In the event the Cost of Gas Main Extension project cost is less than the Standard Allowance, there will be no Remaining Assessment Balance.

Upon completion of the project, parcel property owners will be advised by letter of the availability of natural gas service and to contact the LCU Department's New Connections program within 3-months of the Notification Date.

Where gas main extension projects are impacted, or encounter external factors associated with existing property development constraints, and/or non-economic permitting construction requirements an additional process will be conducted to quantify the cost impact of noted constraints and/or restrictions.

Project scoping reports conducted for construction of a gas main extension from an existing gas distribution system will apply the Standard Allowance described above to the affected gas main extension cost per parcel to quantify the incremental excess cost per parcel. This excess cost per parcel is defined as the projects External Cost Balance (ECB), which is attributable to constraints and requirements.

A gas main project extending existing distribution infrastructure contributes to the total distribution system redundancy and reliability in parallel with extending gas availability in underserved areas where the ECB is deemed a system cost and not associated to the individual property parcels.

### **Developed Property**

The parcel property owner will have 3-months after the notification date to contact LCU to finalize connection and receive gas service, in order to utilize the Standard Allowance. This does not include Connection Fees as outlined in the New Connection Charges Schedule of the LCU Gas Tariff. The connection charges and all applicable fees will be due at the time of connection.

- After 3-months from the Notification Date the Standard Allowance terminates and the parcel property owner will be required to pay the full Cost of Gas Main Assessment amount or elect the installment payment option.

### **Undeveloped Property**

In the instance where there is an undeveloped parcel or parcels with no existing structure within developed areas benefiting from a gas main extension, the parcel property owner will have 10 years from the Notification Date to utilize the Standard Allowance. The utilization of the Standard Allowance will then be solely contingent on the parcel property owner connecting and receiving gas service within 3-months after a Certificate of Occupancy has been issued. This does not include Connection Fees as outlined in the New Connection Charges Schedule of the LCU Gas Tariff. The connection charges and all applicable fees will be due at the time of connection.

- A parcel property owner that elects to utilize the Standard Allowance before building on their undeveloped parcel will be required to pay the full amount of the Remaining Assessment Balance and will not have the installment payment option.

### **General Terms**

For parcel property owners who agree to pay the assessment under the installment payment option, whether they are LCU's customer or not (in the case of renters/lessees), the monthly payment amount will be billed to the parcel property owner. Should the parcel property owner fail to pay all monies due, as herein provided, the City may exercise any or all of the following remedies: terminate all City utility service to the parcel property; file a municipal lien on the parcel property; and pursue in any other collection remedy available. In the event the parcel property owner sells or transfers ownership of the parcel property when there is an assessment balance due, the full unpaid balance is due on or before City utility service for the parcel property is transferred to a new customer. The "due on sale or transfer"

requirement also applies to foreclosure, deed in lieu of foreclosure, or short sales, and to probate or death transfers. The payment obligation due resides with the parcel property owner who agreed to the installment payment option until paid in full. No penalties will be assessed for early payment of the assessment amount.

This policy does not apply to newly constructed subdivisions as of the initial approval date of this tariff schedule.