

**NEW MEXICO GAS COMPANY**

**ORIGINAL RATE NO. 705**

**Transportation to HollyFrontier's Renewable Diesel Unit**

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AVAILABILITY

Service under this Rate is available for transportation service to HollyFrontier's Renewable Diesel Unit.

TERRITORY

Eddy County, New Mexico

RATES

The Rate for the transportation of natural gas shall be \$0.125 per MMBtu.

CURTAILABILITY

Service under this Rate may be curtailed to protect service to higher priority customers in accordance with the Company's Rule No. 21.

OTHER CONDITIONS

1. The Rate shall go into effect, for a period of eight years after the completion of interconnection facilities ("Facilities") between the Company's system and HollyFrontier's Renewable Diesel Unit.
2. In consideration of the Company's construction of the Facilities, an annual volume commitment of no less than 1,215,450 MMBtu ("Annual Commitment") will be transported, and such volume will be charged the Rate.
3. Once the Facilities are completed, a "true-up" of actual costs shall be performed, and the Annual Commitment may be increased or decreased in proportion to the actual cost of the Facilities.
4. If, in any year, during the eight years of the term of the agreement, a shortfall exists in the annual volume tendered for transportation, the Company shall invoice HollyFrontier the Rate for the difference between the volume tendered and the Annual Commitment.
5. Volumes transported in excess of the Annual Commitment will be credited towards the next year's Annual Commitment.
6. Each year, during the eight-year term of the Transportation Agreement, the Company and HollyFrontier shall true up the Annual Commitment, including any credits from the previous year.
7. In the event of a shortfall in the Annual Commitment, including prior year credits, HollyFrontier agrees to pay the Company the difference within twenty days of the invoice from the Company for the shortfall.
8. Company shall transport gas received from owner at the receipt point and deliver equivalent quantities of gas on a MMBtu basis less a quantity of gas equal to one percent (1%). Such reduction in gas quantity redelivered shall be deemed to reflect fuel use and gas lost and unaccounted for.

/s/Gerald C. Weseen

Gerald C. Weseen

Vice President, Regulatory, Strategy and  
External Affairs

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9. Charges under this Rate may be increased by an amount equal to the sum of the taxes payable under the Gross Receipts and Compensating Tax Act and 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.
10. Service under this Rate shall be subject to all applicable laws and orders and to the Company's Rules and Regulations on file with the New Mexico Public Regulation Commission.
11. Service under this Rate shall be subject to the Transportation Agreement between the Company and HollyFrontier Refinery and Marketing, LLC (T-39807) effective July 1, 2022, and fully executed on May 20, 2022.

/s/Gerald C. Weseen\_\_\_\_\_

Gerald C. Weseen

Vice President, Regulatory, Strategy and  
External Affairs