

Subject: Taos pipeline March 2017

March 22, 2017

For information: Tim Korte (505) 697-3643

This is the first update from New Mexico Gas Company concerning the Taos Mainline reroute project. From August to November 2017, NMGC will realign a 6-mile stretch of natural gas pipeline at a cost of \$14 million to improve the reliability of delivery to Taos County residents.

Our employees have been meeting with Pilar-area landowners since Fall 2016 to discuss project details, and today's communication is a continuation of our outreach process.

Because of hazards from shifting soils and landslides, the pipeline will be moved from the hill on the west side of the Rio Grande to the right-of-way along New Mexico Highway 68, east of the river, between the communities of Rinconada and Pilar. Highway rights-of-way are common locations for natural gas infrastructure and this project will ensure greater stability for the Taos Mainline, which serves many northern New Mexico communities.

The existing 8-inch pipeline delivers natural gas to about 16,000 customers in Taos, Questa and Red River. We are taking advantage of this work to replace the existing pipe with a new 12-inch pipeline. The larger capacity will accommodate future growth.

We are coordinating with contractors on plans to provide Liquid Natural Gas and Compressed Natural Gas to maintain service when the new pipeline is attached to the existing pipeline. This will ensure that delivery will continue north of the project area without interruption.

Because the pipeline will be placed along the shoulder of Highway 68, during construction it will be necessary to close one lane of traffic in one-mile segments as the work proceeds. We know this interruption of traffic will be of concern to you and we are working to minimize disruptions.

The traffic control plan calls for a pilot car to escort motorists through one-way work zones during construction. Additional details on traffic control will be provided as we get closer to construction. We will strive to keep any delay in traffic to no more than 15 to 30 minutes.

New Mexico Gas Company is planning to distribute monthly project updates through June. We will transition to updates every week or every two weeks in July and, as warranted, to daily updates when construction begins in August.

Finally, NMGC has assembled a Travel Team that is available to attend public meetings or visit with civic organizations to discuss the project and answer questions. Please contact me to request an appearance.

Please email or call me with questions. Thank you.

**TAOS MAINLINE PROJECT OVERVIEW
MARCH 2017**

- New Mexico Gas Company (NMGC) will oversee a \$14 million project.

- The existing pipeline is at risk because of shifting soils and landslides in the Rio Grande Gorge. Three landslide areas are impacting the pipeline between Rinconada and Pilar.
- Construction is scheduled August to November 2017. The new pipeline will run along and under New Mexico Highway 68.
- The existing 8-inch pipeline delivers natural gas to about 16,000 customers in Taos, Questa and Red River. The replacement will be a 12-inch pipeline. The larger capacity will accommodate future growth.
- NMGC is currently awaiting authorization from the Bureau of Land Management (BLM) on a Finding of No Significant Impact (a.k.a. FONSI). The New Mexico Department of Transportation reviews this document when issuing a highway utility permit.

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