

AN ACT

RELATING TO UTILITIES; EXTENDING THE GEOGRAPHIC BOUNDARY FOR A
NATURAL GAS OR GEOTHERMAL UTILITY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 3-25-3 NMSA 1978 (being Laws 1965, Chapter 300,
Section 14-24-3, as amended) is amended to read:

"3-25-3. NATURAL GAS OR GEOTHERMAL UTILITY--EXTENT OF
FACILITIES--DISTRIBUTION TO CONSUMERS BEYOND THE MUNICIPAL BOUNDARY-
-WITHIN THE BOUNDARY OF ANOTHER MUNICIPALITY--APPROVAL OF OTHER
MUNICIPALITY AND PUBLIC REGULATION COMMISSION.--

A. The natural gas or geothermal utility may include but is not limited
to:

(1) in the municipality and within one hundred miles of the
municipal boundary, facilities appropriate to the transportation, pumping, storage or
purification of natural gas or geothermal waters; and

(2) in the municipality and within five miles of the municipal
boundary, facilities for the distribution of natural gas or geothermal heat.

The natural gas or geothermal utility shall include any land or real estate
needed for the location of the facilities.

B. A municipality shall not acquire and operate natural gas or
geothermal distribution facilities in whole or in part within the boundary of another
municipality, as then existing, until the:

(1) public regulation commission issues an order authorizing

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the acquisition and operation of the natural gas or geothermal distribution facilities;
and

(2) other municipality authorizes, by ordinance, the acquisition and operation of the natural gas or geothermal distribution facilities.

C. No formal franchise need be granted by the other municipality, and the ordinance granting the consent of the other municipality:

- (1) shall be sufficient;
- (2) may be adopted on a single reading;
- (3) may become immediately effective;
- (4) shall not be subject to a referendum; and
- (5) shall be valid for such period of years as may be specified

in the ordinance."

~~Section~~ **Section 2. EFFECTIVE DATE.**--The effective date of the provisions of this act is July 1, 2003.